

HCS SCS SB 131 -- AGRICULTURE

SPONSOR: Parson (Love)

COMMITTEE ACTIONS: Voted "Do Pass with HCS" by the Select Committee on Agriculture by a vote of 7 to 2. Voted "Do Pass" by the Standing Committee on Agriculture Policy by a vote of 15 to 0.

This bill changes the laws regarding agriculture.

ALTERNATIVE FUEL INCOME TAX CREDIT (Sections 135.710 and 135.711, RSMo)

Beginning January 1, 2015, the bill authorizes a tax credit for the purchase of a new qualified alternative fuel vehicle or for converting a previously-purchased motor vehicle to a qualified fuel vehicle in the following amounts: \$5,000 for each vehicle with a gross vehicle weight (GVW) of greater than 2,000 pounds but less than 10,000 pounds, \$7,000 for a heavy-duty vehicle with a GVW of at least 10,000 pounds but less than 26,000 pounds, and \$20,000 for a vehicle with a GVW of at least 26,000 pounds. The credit cannot be refunded, transferred, sold, or assigned, but may be carried forward for up to 10 subsequent taxable years.

The tax credit is added to the \$1 million per year cumulative cap set for tax credits for electric vehicle recharging properties and alternative fuel refueling properties in Section 135.710, RSMo, and is subject to appropriations. A taxpayer cannot receive more than \$100,000 in tax credits before March 31 per year. Beginning April 1, all unused, appropriated credits can be issued to any taxpayer for any qualified alternative fuel vehicle and not be subject to the \$100,000 cap.

The bill allows any alternative fuel vehicle to exceed the maximum GVW limit and axle weight limit for the vehicle under Section 304.180 by 2,000 pounds.

MISSOURI QUALIFIED FUEL ETHANOL PRODUCER INCENTIVE FUND (Section 142.029)

The bill extends the expiration date of the provisions regarding the Missouri Qualified Fuel Ethanol Producer Incentive Fund from December 31, 2015, to December 31, 2019.

INCOME TAX EXEMPTION FOR AGRICULTURAL DISASTERS (Section 143.121)

The bill authorizes an income tax exemption for all tax years beginning on or after January 1, 2014, for the amount of any income received as payment from any program which compensates agricultural

producers who have suffered a loss as a result of a disaster or emergency.

AGRIMISSOURI ADVISORY COMMISSION (Section 261.235)

Currently, the AgriMissouri Advisory Commission for Marketing Missouri Agricultural Products may establish a fee structure for sellers electing to use the AgriMissouri trademark associated with Missouri agricultural products that varies depending upon the amount of the seller's gross annual sales. The bill changes the fee structure allowed for the use of the AgriMissouri trademark. The commission may adopt a fee structure so long as the fees established and collected do not yield revenue greater than the costs of administering the objectives of the AgriMissouri Advisory Commission and the AgriMissouri trademark to sellers using the trademark in the ensuing year.

AGRI-READY COUNTY DESIGNATION PROGRAM (Section 261.320)

The bill establishes the Agri-Ready County Designation Program within the Department of Agriculture. The program is a voluntary program by which a county or the City of St. Louis may apply to become designated as an agri-ready county.

To qualify as an agri-ready county, the county or St. Louis City must meet specified requirements that show the county encourages agricultural operations to locate in the county. By March 31, 2016, the department must establish application requirements and review procedures for the program. Any county or St. Louis City that receives an agri-ready county designation must submit a report annually to the department that includes specified information. The report may not be longer than one page and the department must allow for the on-line submission of the report. If the department determines a county or the city no longer meets the requirements of the program, it may withdraw the designation.

The department must develop an agri-ready county logo and any county or St. Louis City designated as agri-ready may use the logo on any sign, brochure, website, or other marketing material. Any agri-ready county or the city may request the Department of Transportation to erect and maintain signs designating it as agri-ready with the cost to be paid for by the county or the city. The Department of Agriculture must publish and maintain a list of all agri-ready counties on its website.

In evaluating any grant proposal based on a point system, the departments of Agriculture, Natural Resources, and Economic Development must increase the total number of points awarded by 5% to any agri-ready county or St. Louis City, any political

subdivision within an agri-ready county, or any agricultural operation located within or proposing to locate within an agri-ready county. If an agri-ready county loses its designation at any point during the grant period, the county must be responsible for repaying any grant funding received.

SLAUGHTER OF CAPTIVE CERVIDS (Section 265.475)

The bill allows any commercial slaughter plant or meat processor that has been inspected by the Missouri Department of Agriculture or the U.S. Department of Agriculture (USDA) to slaughter and process captive cervids for human consumption if the captive cervids are from a herd that participates in a USDA herd certification program. The sale of captive cervid meat cannot be restricted or prohibited. A licensed hunting preserve or deer breeder must be allowed to slaughter and process any captive cervids owned by the preserve or breeder at a facility inspected by the department or the USDA at any time, but the department may establish rules and regulations relating to the slaughter and processing of captive cervids.

FERTILIZER CONTROL BOARD (Sections 266.301 - 266.347)

The bill transfers the duties of enforcing and administering the laws relating to fertilizers from the Director of the Missouri Agricultural Experiment Station to the newly established Fertilizer Control Board. The board must be composed of 13 members appointed by the Director of the Department of Agriculture from persons nominated by specified nonprofit corporations. Five of the members must be actively employed as fertilizer manufacturers or distributors, five must be actively engaged in the business of farming, and three must be at-large members selected by the department director with the approval of a majority of the other 10 members of the board. The board must meet at least twice annually to conduct the specified duties of the board. Agents of the board are authorized to carry out specified activities in order to fulfill the duties of the board. The bill specifies that if a fertilizer is, upon official analysis, proven deficient from its guarantee as stated on the bag or other container, the total penalties assessed upon a fertilizer distributor cannot exceed \$5,000 per year or the amount of the current value of the plant food deficiency, whichever is greater. A distributor who knowingly violates the laws relating to fertilizer must be assessed a penalty of up to \$25,000 for each offense. If the preliminary analysis of a fertilizer shows a potential deficiency, the distributor must be notified within two business days by telephone or email in addition to a mailed notification letter.

AGRICULTURAL DATA COLLECTION (Section 267.169)

The bill specifies that any premises registration data, animal identification data, environmental data, or animal tracking data collected by any state agency from participants under the federal Animal Disease Traceability Program (ADTP) or any data collected for the purpose of animal health or environmental protection cannot be subject to the Open Records and Meetings Law, commonly known as the Sunshine Law. The bill allows the director of any state agency or the State Veterinarian within the Department of Agriculture to release information, without proprietary information, otherwise closed when the information is useful in controlling or preventing a disease outbreak, for public safety purposes, or to show particular animals or herds are not involved in a disease outbreak.

Any unauthorized release of information regardless of the type or quantity of information released must be a violation of these provisions. Any entity or person alleging a violation may bring a civil action against a state agency in a court of competent jurisdiction. A court may order any appropriate relief including damages in an amount of up to \$10,000; payment of reasonable attorney fees, costs, and expenses; and any other injunctive relief the court deems necessary and proper.

DAMAGES FORM LIVESTOCK TRESPASS (Sections 273.030 and 272.230)

The bill specifies that the owner of any livestock that trespasses on the premises of another must not be held strictly liable for any damages sustained.

LIVESTOCK AND AGRICULTURAL PRODUCTS (Sections 301.010 and 304.180)

Currently, local log trucks and local log truck tractors may only transport harvested forest products within a 100-mile radius of the forested site. The bill increases the distance in which the trucks can be operated to a 200-mile radius.

Currently, the total gross weight of a vehicle or combination of vehicles hauling milk from a farm to a processing facility in the state cannot exceed 85,500 pounds with the exception of vehicles operated on the Dwight D. Eisenhower System of Interstate and Defense Highways. The bill adds livestock to the current weight limit exemption for milk haulers and allows vehicles hauling livestock to carry up to 85,500 pounds on all state highways other than the interstate system with the specified exception.

The bill allows any vehicle or combination of vehicles hauling grain or grain co-products during times of harvest to exceed the maximum allowable weight limitations by up to 10% on highways other than the interstate highway system. This provision must not apply

to vehicles operating on the Dwight D. Eisenhower System of Interstate and Defense Highways.

INCOMPATIBLE MOTOR FUEL (Sections 319.114, 414.036, and 414.255)

The bill specifies that except in cases of fraud or misrepresentation on the application for coverage, an owner or operator of an underground storage tank cannot be denied insurance benefits by the Petroleum Storage Tank Insurance Fund or other provider of financial responsibility solely because the owner or operator's claim comes from a release of a regulated motor fuel deemed incompatible with the motor fuel storage tank system.

Any refiner, supplier, wholesaler, distributor, retailer, or other vendor of motor fuel that contains or is blended with any amount of ethanol, biodiesel, or other renewable fuel or biofuel that complies with labeling and motor fuel quality laws cannot be liable for any damages related to a customer's purchase of the motor fuel from the vendor so long as the selection of motor fuel was made by the customer and not the vendor. Motor fuel that contains or is blended with a renewable fuel cannot be considered a defective product for the purposes of a claim for property damage if the fuel complies with motor fuel quality laws.

FARMING CORPORATION REGISTRATION (Section 351.120)

The bill waives the corporate registration report requirement for specified farming corporations and family farm corporations if the corporate name, the name and Missouri physical address of its registered agent, the name and business or residence of its officers and directors, and the mailing address of the corporation's principal place of business or corporate headquarters have not changed since the corporation's original articles of incorporation or its most recent report was filed, whichever is applicable.

INSPECTION OF MOTOR FUELS (Section 414.082)

Currently, the fee for the inspection of certain motor fuels must be between 1.5 cents and 2.5 cents per barrel. The bill changes the per barrel fee to no more than 4 cents from January 1, 2016, through December 31, 2020, and no more than 5 cents from January 1, 2021, and thereafter.

LANDOWNER LIABILITY (Section 537.345)

The bill adds trapping, paddle sports, aviation activities, and swimming to the activities included under the definition of "recreational use" as it applies to the provisions regarding

landowners' liability for recreational use of land and specifies liability is not limited for a landowner who intentionally injures a participant, knowingly provides unsafe equipment or devices, or fails to use a degree of care that an ordinary person would use.

ANIMAL TRESPASS (Sections 578.005 - 578.040)

Currently, a person is guilty of the crime of animal trespass if he or she having ownership of an animal knowingly fails to provide adequate control for a period of 12 hours or more. The bill specifies that a person commits the offense of animal or livestock trespass if he or she having ownership or custody of an animal knowingly fails to provide adequate control and the animal trespasses onto another person's property or having ownership or custody of livestock knowingly fails to provide adequate control of the livestock for a period of 12 hours or more and the livestock trespasses onto another person's property. The bill removes the specified maximum fines that may be charged for the offenses of animal or livestock trespass. The bill repeals a provision specifying that reasonable costs incurred for the care and maintenance of trespassing animals may not be waived.

The provisions of the bill regarding the alternative fuel income tax credit will expire December 31 six years after the effective date.

PROPONENTS: Supporters say that the bill will make transporting livestock more cost-efficient for producers by allowing them to increase the number of livestock that can be transported at one time. It would also implement a permanent 10% harvest time weight increase for grain and grain co-products instead of the Department of Agriculture having to ask the Department of Transportation for a waiver each year.

Testifying for the bill were Senator Parson; Barbara York, York Trucking LLC; Missouri Farm Bureau; Missouri Corn Growers Association; Missouri Soybean Association; and Missouri Poultry Federation.

OPPONENTS: There was no opposition voiced to the committee.