

# JOURNAL OF THE HOUSE

First Regular Session, 101st GENERAL ASSEMBLY

FIFTY-SIXTH DAY, TUESDAY, APRIL 20, 2021

The House met pursuant to adjournment.

Speaker Pro Tem Wiemann in the Chair.

Prayer by Reverend Monsignor Robert A. Kurwicki, Chaplain.

*The Lord taketh pleasure in them that fear Him, in those that hope in His mercy. (Psalm 147:11)*

God of life and light, by whose love we have the gift of this new, snowy Missouri day, we thank You for this moment of prayer, when we may give our hearts to You and let You bless us as we face the demanding duties of these hours in the People's House.

From the noise of the political world we would turn to the quiet of the spiritual world, where in quietness and in confidence we may find strength and ability in You for this day.

Help us to accept our many privileges of public service with thanksgiving, to carry our responsibilities with honor, to meet our difficulties with courage, and to discharge our duties with fidelity. Whatever good we do this day may we do it with cheerfulness and with all sincerity of mind and heart so that the will of your people be the highest law.

And the House says, "Amen!"

The Pledge of Allegiance to the flag was recited.

The Speaker appointed the following to act as Honorary Pages for the Day, to serve without compensation: Isaac Lindsey, Kayley Lowery, Isabelle Owens, Matthew Lindsey, Wesley Owens, Patrick Taylor, Luke Lowery, Noah Krueger, and Isabel Knight.

The Journal of the fifty-fifth day was approved as printed by the following vote:

AYES: 129

Adams	Anderson	Andrews	Atchison	Aune
Bailey	Baker	Bangert	Baringer	Barnes
Basye	Billington	Black 137	Black 7	Boggs
Bromley	Brown 16	Brown 27	Brown 70	Buchheit-Courtway
Burger	Burnett	Busick	Butz	Coleman 32
Coleman 97	Cook	Copeland	Cupps	Davidson
Davis	Deaton	DeGroot	Derges	Dinkins
Dogan	Doll	Eggleston	Ellebracht	Evans
Falkner	Fishel	Fitzwater	Fogle	Francis
Gray	Gregory 51	Gregory 96	Grier	Griesheimer
Griffith	Gunby	Haden	Haffner	Haley
Hannegan	Hardwick	Henderson	Hicks	Hill

Houx	Hovis	Hudson	Hurlbert	Johnson
Kalberloh	Kelley 127	Kelly 141	Kidd	Knight
Lewis 6	Lovasco	Mackey	Mayhew	McCreery
McGaugh	McGill	Mosley	Murphy	Nurrenbern
O'Donnell	Owen	Perkins	Person	Pike
Plocher	Pollitt 52	Pollock 123	Porter	Pouche
Proudie	Quade	Railsback	Reedy	Richey
Riggs	Riley	Roberts	Roden	Rone
Ruth	Sander	Sassmann	Schroer	Schwadron
Seitz	Sharp 36	Sharpe 4	Shaul	Shields
Simmons	Smith 163	Smith 67	Stacy	Stevens 46
Taylor 139	Taylor 48	Thompson	Toalson Reisch	Trent
Van Schoiack	Veit	Wallingford	Walsh 50	Weber
West	Wiemann	Wright	Mr. Speaker	

NOES: 002

McDaniel                      Rowland

PRESENT: 006

Phifer	Smith 155	Terry	Turnbaugh	Unsicker
Young				

ABSENT WITH LEAVE: 025

Aldridge	Appelbaum	Bland Manlove	Bosley	Burton
Chipman	Christofanelli	Clemens	Collins	Ingle
Lewis 25	Merideth	Morse	Patterson	Pietzman
Price IV	Roeber	Rogers	Sauls	Schnelting
Stephens 128	Tate	Thomas	Walsh Moore 93	Windham

VACANCIES: 001

## SECOND READING OF HOUSE COMPLAINTS

**HC 2** was read the second time.

HOUSE COMPLAINT NO. 2

HOUSE ETHICS COMPLAINT NO. 21-001

In the Matter of Representative Rick Roeber

WHEREAS, Rule 37 of the Rules of the House of Representatives of the 101st General Assembly authorizes the Committee on Ethics to consider and report upon complaints referred to it relating to ethical misconduct of a member of the House; and

WHEREAS, in January 2021, two representatives filed formal complaints of ethical misconduct concerning Respondent Rick Roeber and disturbing allegations of sexual and physical abuse of his children; and

WHEREAS, the complaints requested that the Committee on Ethics conduct an investigation into the allegations and report its findings; and

WHEREAS, the Committee on Ethics determined that the complaints were in compliance with the House Rules and that the Committee had jurisdiction over this matter; and

WHEREAS, the Committee met on numerous occasions from February through early April 2021, receiving sworn testimony from five witnesses and reviewing over two hundred pages of available documents concerning the accusations of abuse; and

WHEREAS, the Committee found the testimony of Witness 1 and Child 1, Child 3, and Child 4 to be credible; and

WHEREAS, the Committee found Respondent to be combative, defensive, and defiant, and the testimony of Respondent, in all material respects related to the investigation, to be not credible; and

WHEREAS, at the conclusion of the primary hearing, Thursday, April 8, 2021, the Committee unanimously voted to find the allegations in the two complaints to be credible and well founded and to offer Respondent the recommended sanction of expulsion. Respondent was given until 5 p.m., Monday, April 12, 2021, to accept or object to the recommended sanction; and

WHEREAS, later in the day on Thursday, April 8, 2021, Respondent contacted the Committee Chair and Chief Clerk and verbally indicated he would submit a resignation letter to the Speaker on Monday, April 12, 2021; and

WHEREAS, on Monday, April 12, 2021, Respondent instead delivered to the Committee his written objection to the Committee's findings and recommendation in which Respondent requested a formal hearing under the rules governing the Committee on Ethics; and

WHEREAS, before the Committee could conduct a formal hearing in this matter, Respondent delivered to the Speaker his letter of resignation effective 11:59 p.m., Friday, April 16, 2021; and

WHEREAS, the Committee found Respondent's actions, including the tender of a resignation letter, to be a waiver of any further requested action or procedure under the rules governing the Committee on Ethics; and

WHEREAS, the House of Representatives, on Thursday, April 15, 2021, voted to postpone the acceptance of Respondent's resignation until the recommendation of the Committee on Ethics is considered by the House of Representatives; and

WHEREAS, on Monday, April 19, 2021, the Committee on Ethics voted, unanimously, to release its report containing the Committee's findings and recommendation that Respondent be expelled; and

WHEREAS, the report found that:

- (1) Respondent sexually abused Child 1 when Child 1 was nine years old;
- (2) Respondent sexually abused Child 2 when Child 2 was five years old;
- (3) Respondent attempted to sexually abuse Child 1 and Child 2 on other occasions;
- (4) Respondent physically and mentally abused his children; and
- (5) Respondent has never been held accountable for his conduct:

NOW THEREFORE BE IT RESOLVED that we, the members of the One Hundred First General Assembly, First Regular Session, pursuant to Rule 37 and Article III, Section 18 of the Missouri Constitution, and having given full consideration to the recommendations of the Committee on Ethics, find that:

- (1) Respondent has committed ethical misconduct constituting a crime and a legal or moral wrong that has materially impaired the ability of Respondent to perform the duties of his office;

(2) The sexual abuse as referred to in the report of the Committee on Ethics constitutes both a Class A felony offense under the laws of this state and an offense of a sexual nature under the laws of this state; and

(3) Respondent's conduct renders him unfit to serve as a representative in the Missouri General Assembly; and

BE IT FURTHER RESOLVED that Respondent Rick Roeber be expelled from the One Hundred First General Assembly of the Missouri House of Representatives; and

BE IT FURTHER RESOLVED that Respondent pay \$1,574.09 in costs related to the investigation of the complaints.

Introduced by the Committee on Ethics

Date: April 19, 2021

### PERFECTION OF HOUSE BILLS

**HCS HBs 1141 & 1067, HCS HBs 1222 & 1342, HB 1349, HB 1363, HB 445, HCS HB 835, HB 1061, HCS HB 1139, HCS HB 32, HB 36, HB 61, HCS HB 86, HCS HB 160, HCS HB 242, HCS HB 245, HB 308, HCS HB 323, HB 338, HB 352, HB 353, HCS HBs 359 & 634, HB 381, HB 390, HB 396, HCS HB 443, HCS HB 508, HCS HB 673, HCS HB 734, HCS HB 754, HCS HB 755, HCS HB 760, HB 764, HB 769, HCS HB 814, HCS HB 839, HB 851, HCS HB 925, HCS HBs 928 & 927, HB 931, HB 996, HB 1010, HB 1156, HB 1162, HB 1178, HCS HB 1204, HCS HB 1212, HB 1345, HB 920, HCS HB 876, as amended, HCS HB 1095, HB 143, HB 161, HCS HB 214, HCS HB 229, HB 318, HB 395, HB 469, HCS HB 555, HCS HB 682, HCS HB 1016, HB 1200, HCS HB 577, HB 92, and HB 491** were moved to the Informal Calendar.

### PERFECTION OF HOUSE BILLS - INFORMAL

**HCS HB 494**, relating to the participation of home school students in public school activities, was taken up by Representative Hurlbert.

On motion of Representative Hurlbert, the title of **HCS HB 494** was agreed to.

Representative Hurlbert offered **House Amendment No. 1**.

#### *House Amendment No. 1*

AMEND House Committee Substitute for House Bill No. 494, Page 1, Section 167.790, Line 12, by deleting all of said line and inserting in lieu thereof the following:

**"2. In order to receive funds under section 163.031, no school district shall:**

**(1) Prohibit a student who is receiving instruction at a home school, as defined in section 167.031, from the opportunity to participate in any event or activity offered by the school district or an attendance center of the school district in which the student resides.**

**(2) Require a student to attend more than one class directly related to, and necessary for, participation in an event or activity in order to participate in such an event or activity.**

**3. The department of elementary and secondary education shall withhold payments"; and**

Further amend said bill and section by renumbering all of the subsequent subsections accordingly; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Hurlbert, **House Amendment No. 1** was adopted.

Representative Kelly (141) moved the previous question.

Which motion was adopted by the following vote:

AYES: 104

Andrews	Atchison	Bailey	Baker	Basye
Billington	Black 137	Black 7	Boggs	Bromley
Brown 16	Buchheit-Courtway	Burger	Busick	Christofanelli
Coleman 32	Coleman 97	Cook	Copeland	Cupps
Davidson	Davis	Deaton	Derges	Dinkins
Dogan	Eggleston	Evans	Falkner	Fishel
Fitzwater	Francis	Gregory 51	Gregory 96	Grier
Griesheimer	Griffith	Haden	Haffner	Haley
Hannegan	Hardwick	Henderson	Hicks	Hill
Houx	Hovis	Hudson	Hurlbert	Kalberloh
Kelley 127	Kelly 141	Kidd	Knight	Lewis 6
Mayhew	McGaugh	McGirl	Murphy	O'Donnell
Owen	Perkins	Pike	Plocher	Pollitt 52
Porter	Pouche	Proudie	Railsback	Reedy
Richey	Riggs	Riley	Roberts	Roden
Rone	Ruth	Sander	Sassmann	Schnelting
Schroer	Schwadron	Seitz	Sharpe 4	Shaul
Shields	Smith 155	Stacy	Stephens 128	Tate
Taylor 139	Taylor 48	Thomas	Thompson	Toalson Reisch
Trent	Van Schoiack	Veit	Wallingford	Walsh 50
West	Wiemann	Wright	Mr. Speaker	

NOES: 037

Adams	Anderson	Appelbaum	Aune	Bangert
Baringer	Barnes	Brown 27	Brown 70	Burnett
Burton	Butz	Doll	Fogle	Gray
Gunby	Ingle	Johnson	Lewis 25	Mackey
McCreery	Merideth	Mosley	Nurrenbern	Person
Quade	Rowland	Sauls	Sharp 36	Smith 67
Terry	Turnbaugh	Unsicker	Walsh Moore 93	Weber
Windham	Young			

PRESENT: 000

ABSENT WITH LEAVE: 021

Aldridge	Bland Manlove	Bosley	Chipman	Clemens
Collins	DeGroot	Ellebracht	Lovasco	McDaniel
Morse	Patterson	Phifer	Pietzman	Pollock 123
Price IV	Roerber	Rogers	Simmons	Smith 163
Stevens 46				

VACANCIES: 001

On motion of Representative Hurlbert, **HCS HB 494, as amended**, was adopted.

On motion of Representative Hurlbert, **HCS HB 494, as amended**, was ordered perfected and printed.

**HB 352**, relating to the inmate canteen fund, was taken up by Representative Henderson.

Representative Henderson moved that the title of **HB 352** be agreed to.

Representative Murphy offered **House Amendment No. 1**.

*House Amendment No. 1*

AMEND House Bill No. 352, Page 1, In the Title, Line 3, by deleting the words "inmate canteen fund" and inserting in lieu thereof the words "burning ring of fire"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

**House Amendment No. 1** was withdrawn.

Representative Henderson again moved that the title of **HB 352** be agreed to.

Which motion was adopted.

On motion of Representative Henderson, **HB 352** was ordered perfected and printed.

**HCS HB 1204**, relating to cybersecurity, was taken up by Representative Hardwick.

On motion of Representative Hardwick, the title of **HCS HB 1204** was agreed to.

On motion of Representative Hardwick, **HCS HB 1204** was adopted.

On motion of Representative Hardwick, **HCS HB 1204** was ordered perfected and printed.

**HCS HBs 928 & 927**, relating to financial institutions, was taken up by Representative Thompson.

On motion of Representative Thompson, the title of **HCS HBs 928 & 927** was agreed to.

Representative Walsh (50) offered **House Amendment No. 1**.

*House Amendment No. 1*

AMEND House Committee Substitute for House Bill Nos. 928 & 927, Page 1, Section A, Line 5, by inserting after all of said line the following:

**"29.420. 1. This section shall be known as the "Government Lending Transparency Act".**

**2. As used in this section, the following terms mean:**

(1) **"Administering agency", a department, office, board, commission, bureau, institution, or any other agency of the state charged by statute, regulation, or order with administering a credit support program or lending program;**

(2) **"Credit support program", any state program that guarantees or provides credit enhancements, such as state support for interest or principal payments, to the debt of private parties or municipalities, under which the state would be required to provide moneys if the borrower failed to pay;**

(3) **"Lending program", any state program that offers moneys to private parties or municipalities that come with the expectation of repayment.**

**3. Each administering agency shall report annually to the state auditor by August thirtieth the following information:**

(1) **The name and statutory authority for each lending program and credit support program administered by the agency;**

(2) **For the immediately preceding fiscal year, the total dollar amount of all lending for each lending program administered by the agency and the total amount of debt supported by each credit support program administered by the agency; and**

(3) **For the immediately preceding fiscal year, the reasonable estimates of the costs of likely defaults for each lending program and credit support program administered by the agency, using private sector accounting standards to evaluate the likelihood and costs of defaults.**

**4. The state auditor shall make an annual report compiling the data received from the administering agencies under this section, and shall submit the report to the general assembly annually by December fifteenth.**

**5. Intentional or knowing failure to comply with any reporting requirement contained in this section shall be punishable by a fine of up to two thousand dollars.**

37.850. 1. The commissioner of administration shall maintain the Missouri accountability portal established in executive order 07-24 as a free, internet-based tool allowing citizens to demand fiscal discipline and responsibility.

2. The Missouri accountability portal shall consist of an easy-to-search database of financial transactions related to the purchase of goods and services and the distribution of funds for state programs; all bonds issued by any public institution of higher education or political subdivision of this state or its designated authority after August 28, 2013; all obligations issued or incurred pursuant to section 99.820 by any political subdivision of this state or its designated authority; and the revenue stream pledged to repay such bonds or obligations; and all debt incurred by any public charter school.

3. The Missouri accountability portal shall be updated each state business day and maintained as the primary source of information about the activity of Missouri's government.

4. Upon the conducting of a withholding or a release of funds, the governor shall submit a report stating all amounts withheld from the state's operating budget for the current fiscal year, as authorized by Article IV, Section 27 of the Missouri Constitution which shall be:

(1) **Conspicuously posted on the accountability portal website;**

(2) **Searchable by the amounts withheld or released from each individual fund; and**

(3) **Searchable by the total amount withheld or released from the operating budget.**

5. Every political subdivision of the state, including public institutions of higher education but excluding school districts, shall supply all information described in subsection 2 of this section to the office of administration within seven days of issuing or incurring such corresponding bond or obligation. For all such bonds or obligations issued or incurred prior to August 28, 2013, every such political subdivision and public institution of higher education shall have ninety days to supply such information to the office of administration.

6. Every school district and public charter school shall supply all information described in subsection 2 of this section to the department of elementary and secondary education within seven days of issuing such bond, or incurring such debt. The department of elementary and secondary education shall have forty-eight hours to deliver such information to the office of administration. For all such bonds issued or debt incurred prior to August 28, 2013, every school district and public charter school shall have ninety days to supply such information to the department of elementary and secondary education. The department of elementary and secondary education shall have forty-eight hours to deliver such information to the office of administration.

7. The following entities shall report the name, salary data, and incentive pay for all employees of the entity in the same manner as all state departments and agencies under this section:

- (1) The county employees' retirement system established in sections 50.1000 to 50.1300;
- (2) The sheriffs' retirement system established in sections 57.949 to 57.997;
- (3) The Missouri local government employees' retirement system established in sections 70.600 to 70.755;
- (4) The Missouri state employees' retirement system established in section 104.320;
- (5) The Missouri department of transportation and highway patrol employees' retirement system established in section 104.020;
- (6) The prosecuting attorneys' and circuit attorneys' retirement system established in sections 56.800 to 56.840;
- (7) The college and university retirement plan established in sections 104.1200 to 104.1215;
- (8) The Kansas City public school retirement system established in sections 169.270 to 169.400;
- (9) The Kansas City civilian police retirement system established in sections 86.1310 to 86.1640;
- (10) The Kansas City police retirement system established in sections 86.900 to 86.1280;
- (11) The public education employees' retirement system established in sections 169.600 to 169.710;
- (12) The public school retirement system established in sections 169.010 to 169.130;
- (13) The St. Louis public school retirement system established in sections 169.410 to 169.540;
- (14) The St. Louis firemen's retirement system established in sections 87.125 to 87.370;
- (15) The St. Louis police retirement system established in sections 86.200 to 86.366; and
- (16) The judicial retirement system established in sections 476.450 to 476.690.

The entities identified in this subsection shall not report the retirement annuity, retirement allowance, or retirement benefit amount of any employee or member to the Missouri accountability portal. The commissioner of administration shall prohibit the display of the retirement annuity, retirement allowance, or retirement benefit of any employee or member on the Missouri accountability portal."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Walsh (50), **House Amendment No. 1** was adopted.

On motion of Representative Thompson, **HCS HBs 928 & 927, as amended**, was adopted.

On motion of Representative Thompson, **HCS HBs 928 & 927, as amended**, was ordered perfected and printed.

**HCS HB 160**, relating to compensation for jurors, was taken up by Representative Veit.

On motion of Representative Veit, the title of **HCS HB 160** was agreed to.

On motion of Representative Veit, **HCS HB 160** was adopted.

On motion of Representative Veit, **HCS HB 160** was ordered perfected and printed.

**HCS HB 734**, relating to electrical corporations, was taken up by Representative O'Donnell.

Representative O'Donnell moved that the title of **HCS HB 734** be agreed to.

Representative O'Donnell offered **House Amendment No. 1.**

*House Amendment No. 1*

AMEND House Committee Substitute for House Bill No. 734, Page 1, In the Title, Line 2, by inserting after the third instance of the word "to" the words "ratemaking for"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative O'Donnell, **House Amendment No. 1** was adopted.

Representative O'Donnell offered **House Amendment No. 2.**

*House Amendment No. 2*

AMEND House Committee Substitute for House Bill No. 734, Pages 2 and 4, Section 393.1700, Lines 20, 24, 33, and 115, by deleting each occurrence of the word "**coal-fired**"; and

Further amend said bill and section, Page 3, Line 70, by inserting after the word "**incurred**" the word "**prudently**"; and

Further amend said bill and section, Page 5, Lines 139 to 140, by deleting all of said lines and inserting in lieu thereof the following:

**"quantifiable benefits to customers;**

**(g) A proposed future ratemaking process to reconcile any differences between securitized utility tariff costs financed by securitized utility tariff bonds and the final securitized costs incurred by the electrical corporation or assignee provided that any such reconciliation shall not affect the amount of securitized utility tariff bonds or the associated securitized utility tariff charges paid by customers; and**

**(h) Direct testimony and schedules supporting the petition.";** and

Further amend said bill and section, Page 6, Lines 162 to 163, by deleting all of said lines and inserting in lieu thereof the following:

**"customers;**

**(f) A proposed future ratemaking process to reconcile any differences between securitized utility tariff costs financed by securitized utility tariff bonds and the final securitized costs incurred by the electrical corporation or assignee provided that any such reconciliation shall not affect the amount of securitized utility tariff bonds or the associated securitized utility tariff charges paid by customers;**

**(g) Direct testimony and schedules supporting the petition.";** and

Further amend said bill, page, and section, Lines 173 to 183, by deleting all of said lines and inserting in lieu thereof the following:

**"petition; provided, however, that the electrical corporation shall provide notice of intent to file a petition for in proceedings initiated by the first petition for a financing order to the commission no less than 60 days in advance of such filing; and**

**c. An adversely affected party may seek judicial review of a financing order in accordance with sections 386.500 and 386.510.**

**(b) A financing order issued by the commission, after a hearing, to an electrical corporation shall include all of the following elements:**

**a. The amount of securitized utility tariff costs to be financed using securitized utility tariff bonds and a finding that recovery of such costs is just and reasonable. The commission shall describe and estimate**

the amount of financing costs that may be recovered through securitized utility tariff charges and specify the period over which securitized utility tariff costs and financing costs may be recovered;

b. A finding that the proposed issuance of securitized utility tariff bonds and the imposition and collection of a securitized utility tariff charge are just and reasonable and are expected to provide"; and

Further amend said bill and section, Pages 7 to 8, Lines 230 to 256, by deleting all of said lines and inserting in lieu thereof the following:

"k. A statement specifying a future ratemaking process to reconcile any differences between the actual securitized utility tariff costs financed by securitized utility tariff bonds and the final securitized utility tariff costs incurred by the electrical corporation or assignee provided that any such reconciliation shall not affect the amount of securitized utility tariff bonds or the associated securitized utility tariff charges paid by customers;

l. A procedure that shall allow the electrical corporation to earn a return, at the cost of capital authorized from time to time by the commission in the electrical corporation's rate proceedings, on any moneys advanced by the electrical corporation to fund reserves, if any, or capital accounts established under the terms of any indenture, ancillary agreement, or other financing documents pertaining to the securitized utility tariff bonds;

m. In a financing order granting authorization to securitize energy transition costs or in a financing order granting authorization to securitize qualified extraordinary costs that include retired or abandoned facility costs, a procedure for the treatment of accumulated deferred income taxes and excess deferred income taxes in connection with the retired or abandoned or to be retired or abandoned electric generating facility, or in connection with retired or abandoned facilities included in qualified extraordinary costs. The accumulated deferred income taxes, including excess deferred income taxes, shall be excluded from rate base in future general rate cases and the net tax benefits relating to amounts that will be recovered through the issuance of securitized utility tariff bonds shall be credited to retail customers by reducing the amount of such securitized utility tariff bonds that would otherwise be issued. The customer credit shall include the net present value of the tax benefits, calculated using a discount rate equal to the expected interest rate of the securitized utility tariff bonds, for the estimated accumulated and excess deferred income taxes at the time of securitization including timing differences created by the issuance of securitized utility tariff bonds amortized over the period of the bonds multiplied by the expected interest rate on such securitized utility tariff bonds;

n. An outside date, which shall not be earlier than one year after the date the financing order is no longer subject to appeal, when the authority to issue securitized utility tariff bonds granted in such financing order shall expire; and

o. Any other conditions that the commission considers appropriate and that are"; and

Further amend said bill and section, Page 9, Line 280, by inserting after the word "(e)" the word "a."; and

Further amend said bill, page, and section, Line 289, by inserting after all of said line the following:

"b. The commission, in a financing order and subject to the issuance advice letter process under subparagraph c of this paragraph, shall afford the electrical corporation flexibility in establishing the terms and conditions for the securitized utility tariff bonds to accommodate changes in market conditions, including repayment schedules, interest rates, financing costs, collateral requirements, required debt service and other reserves and the ability of the electrical corporation, at its option, to effect a series of issuances of securitized utility tariff bonds and correlated assignments, sales, pledges or other transfers of securitized utility tariff property. Any changes made under this sub-paragraph to terms and conditions for the securitized utility tariff bonds shall be in conformance with the financing order.

c. As the actual structure and pricing of the securitized utility tariff bonds will be unknown at the time the financing order is issued, the electrical corporation that intends to cause the issuance of such bonds shall provide to the commission, prior to the issuance of each series of bonds, an issuance advice letter following the determination of the final terms of such series of bonds no later than one day after the pricing of the securitized utility tariff bonds. The commission shall have the authority to designate a representative from commission staff, who may be advised by a financial adviser contracted with the commission, to observe

all facets of the process undertaken by the electrical corporation to place the securitized utility tariff bonds to market so the commission's representative can be prepared, if requested, to provide the commission with an opinion on the reasonableness of the pricing, terms and conditions of the securitized utility tariff bonds on an expedited basis. The form of such issuance advice letter shall be included in the financing order and shall indicate the final structure of the securitized utility tariff bonds and provide the best available estimate of total ongoing financing costs. The issuance advice letter shall report the initial securitized utility tariff charges and other information specific to the securitized utility tariff bonds to be issued, as the commission may require. Unless an earlier date is specified in the financing order, the electrical corporation may proceed with the issuance of the securitized utility tariff bonds unless, prior to noon on the fourth business day after the commission receives the issuance advice letter, the commission issues a disapproval letter directing that the bonds as proposed shall not be issued and the basis for that disapproval. The financing order may provide such additional provisions relating to the issuance advice letter process as the commission considers appropriate and as are authorized by this section."; and

Further amend said bill, page, and section, Lines 290 to 292, by deleting all of said lines and inserting in lieu thereof the following:

**"(4) (a) In performing the responsibilities of this section in connection with the issuance of a financing order, the commission shall undertake due diligence as it deems appropriate prior to the issuance of the financing order pursuant to which the commission may request additional information from the electrical corporation and may engage a financial advisor and counsel as the commission deems necessary. Any financial advisor or counsel engaged by the commission shall have a fiduciary duty with respect to the proposed issuance of securitized utility bonds solely to the commission. All expenses associated with such services shall be"; and**

Further amend said bill, Pages 20 to 24, Section 393.1705, Lines 37, 39, 41, 56, 62-63, 66, 69, 95-96, 112, 128, 129, 133 and 140, by deleting each occurrence of the word "**coal-fired**"; and

Further amend said bill and section, Page 20, Line 35, by inserting after the number "**(1)**" the following:

**"Unless the commission has, prior to August 28, 2021, issued an order or orders acknowledging retirement by an electrical corporation of specific electric generating facilities and an order or orders authorizing construction by such electrical corporation of generating facilities in place of such retired electric generating facilities,"; and**

Further amend said bill and section, Page 23, Line 113, by deleting the word "**coal**"; and

Further amend said bill and section, Page 24, Lines 168 and 172, by deleting each occurrence of the word "**thirty-five**" and inserting in lieu thereof the word "**eighty-five**"; and

Further amend said bill and section, Page 28, Line 81, by inserting after all of said line the following:

**"6. The commission may promulgate rules to implement the provisions of sections 393.1700 to 393.1715. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void."; and**

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative O'Donnell, **House Amendment No. 2** was adopted.

Representative Haffner offered **House Amendment No. 3.**

*House Amendment No. 3*

AMEND House Committee Substitute for House Bill No. 734, Page 1, Section A, Line 3, by inserting after all of said section and line the following:

"393.106. 1. As used in this section, the following terms mean:

(1) **"Auxiliary power", the energy used to operate equipment and other load that is directly related to the production of energy by an independent power producer or electrical corporation, obtained through generation at the site or through adjacent transformation and transmission interconnect, but does not include energy used for space heating, lighting, air conditioning, office needs of buildings, and other non-generating uses at the generation site;**

(2) **"Independent power producer" or "IPP", an entity that is also considered a non-utility power producer in the United States. IPPs are wholesale electricity producers that operate within the franchised service territories of host utilities and are usually authorized to sell at market-based rates. Unlike traditional electric utilities, IPPs do not possess transmission facilities or sell electricity in the retail market;**

(3) "Permanent service", electrical service provided through facilities which have been permanently installed on a structure and which are designed to provide electric service for the structure's anticipated needs for the indefinite future, as contrasted with facilities installed temporarily to provide electrical service during construction. Service provided temporarily shall be at the risk of the electrical supplier and shall not be determinative of the rights of the provider or recipient of permanent service;

~~[(2)]~~ (4) "Structure" or "structures", an agricultural, residential, commercial, industrial or other building or a mechanical installation, machinery or apparatus at which retail electric energy is being delivered through a metering device which is located on or adjacent to the structure and connected to the lines of an electrical supplier. Such terms shall include any contiguous or adjacent additions to or expansions of a particular structure. Nothing in this section shall be construed to confer any right on an electric supplier to serve new structures on a particular tract of land because it was serving an existing structure on that tract.

2. Once an electrical corporation or joint municipal utility commission, or its predecessor in interest, lawfully commences supplying retail electric energy to a structure through permanent service facilities, it shall have the right to continue serving such structure, and other suppliers of electrical energy shall not have the right to provide service to the structure except as might be otherwise permitted in the context of municipal annexation, pursuant to section 386.800 and section 394.080, or pursuant to a territorial agreement approved under section 394.312. The public service commission, upon application made by an affected party, may order a change of suppliers on the basis that it is in the public interest for a reason other than a rate differential. The commission's jurisdiction under this section is limited to public interest determinations and excludes questions as to the lawfulness of the provision of service, such questions being reserved to courts of competent jurisdiction. Except as provided in this section, nothing contained herein shall affect the rights, privileges or duties of existing corporations pursuant to this chapter. Nothing in this section shall be construed to make lawful any provision of service which was unlawful prior to July 11, 1991. Nothing in this section shall be construed to make unlawful the continued lawful provision of service to any structure which may have had a different supplier in the past, if such a change in supplier was lawful at the time it occurred. However, those customers who had cancelled service with their previous supplier or had requested cancellation by May 1, 1991, shall be eligible to change suppliers as per previous procedures. No customer shall be allowed to change electric suppliers by disconnecting service between May 1, 1991, and July 11, 1991.

**3. Notwithstanding the provisions of subsection 2 of this section or any other provision of chapters 386 or 394 to the contrary, auxiliary power may be purchased on a wholesale basis, under the applicable federal tariffs of a regional transmission organization instead of under retail service tariffs filed with the public service commission by an electrical corporation, for use at an electric generation facility located in any county of the first classification with more than ninety-two thousand but fewer than one hundred one thousand inhabitants which commenced commercial operations prior to August 28, 2021, and which is operated as an independent power producer.";** and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Haffner, **House Amendment No. 3** was adopted.

Representative Rone offered **House Amendment No. 4**.

*House Amendment No. 4*

AMEND House Committee Substitute for House Bill No. 734, Page 1, Section A, Line 3, by inserting after all of said section and line the following:

"393.355. 1. As used in this section, the following terms shall mean:

(1) "Electrical corporation", the same meaning given to the term in section 386.020, but shall not include an electrical corporation as described in subsection 2 of section 393.110;

(2) "Facility", a:

(a) Facility whose primary industry is the ~~smelting~~ **processing** of ~~aluminum and~~ primary metals [~~Standard Industrial Classification Code 3334~~];

(b) Facility whose primary industry is the production or fabrication of steel, North American Industrial Classification System 331110; or

(c) Facility with a new or incremental increase in load equal to or in excess of a monthly demand of fifty megawatts.

2. Notwithstanding section 393.130 or any other provision of law to the contrary, the public service commission shall have the authority to approve a special rate, outside a general rate proceeding, that is not based on the electrical corporation's cost of service for a facility if:

(1) The commission determines, but for the authorization of the special rate the facility would not commence operations, the special rate is in the interest of the state of Missouri when considering the interests of the customers of the electrical corporation serving the facility, considering the incremental cost of serving the facility to receive the special rate, and the interests of the citizens of the state generally in promoting economic development, improving the tax base, providing employment opportunities in the state, and promoting such other benefits to the state as the commission may determine are created by approval of the special rate;

(2) After approval of the special rate, the commission allocates in each general rate proceeding of the electrical corporation serving the facility the reduced revenues from the special rate as compared to the revenues that would have been generated at the rate the facility would have paid without the special rate to the electrical corporation's other customers through a uniform percentage adjustment to all components of the base rates of all customer classes; and

(3) The commission approves a tracking mechanism meeting the requirements of subsection 3 of this section.

3. Any commission order approving a special rate authorized by this section to provide service to a facility in the manner specified under subsection 4 of this section shall establish, as part of the commission's approval of a special rate, a tracking mechanism to track changes in the net margin experienced by the electrical corporation serving the facility with the tracker to apply retroactively to the date the electrical corporation's base rates were last set in its last general rate proceeding concluded prior to June 14, 2017. The commission shall ensure that the changes in net margin experienced by the electrical corporation between the general rate proceedings as a result of serving the facility are calculated in such a manner that the electrical corporation's net income is neither increased nor decreased. The changes in net margin shall be deferred to a regulatory liability or regulatory asset, as applicable, with the balance of such regulatory asset or liability to be included in the revenue requirement of the electrical corporation in each of its general rate proceedings through an amortization of the balance over a reasonable period until fully returned to or collected from the electrical corporation's customers.

4. Notwithstanding the provisions of section 393.170, an electrical corporation is authorized to provide electric service to a facility at a special rate for the new or incremental load authorized by the commission:

(1) Under a rate schedule reflecting the special rate approved by the commission; or

(2) If the facility is located outside the electrical corporation's certificated service territory, the facility shall be treated as if it is in the electrical corporation's certified service territory, subject to a commission-approved rate schedule incorporating the special rate under the contract.

5. To receive a special rate, the electrical corporation serving the facility, or facility if the facility is located outside of the electrical corporation's certified service territory, shall file a written application with the commission

specifying the requested special rate and any terms or conditions proposed by the facility respecting the requested special rate and provide information regarding how the requested special rate meets the criteria specified in subdivision (1) of subsection 2 of this section. A special rate provided for by this section shall be effective for no longer than ten years from the date such special rate is authorized. The commission may impose such conditions, including but not limited to any conditions in a memorandum of understanding between the facility and the electrical corporation, on the special rate as it deems appropriate so long as it otherwise complies with the provisions of this section.

6. Any entity which has been granted a special rate under this section may reapply to the commission for a special rate under this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Rone, **House Amendment No. 4** was adopted.

On motion of Representative O'Donnell, **HCS HB 734, as amended**, was adopted.

On motion of Representative O'Donnell, **HCS HB 734, as amended**, was ordered perfected and printed.

**HCS HB 835**, relating to electric energy, was taken up by Representative Haffner.

Representative Haffner moved that the title of **HCS HB 835** be agreed to.

Representative Haffner offered **House Amendment No. 1**.

*House Amendment No. 1*

AMEND House Committee Substitute for House Bill No. 835, Page 1, In the Title, Lines 2-3, by deleting the words "electric energy" and inserting in lieu thereof the word "utilities"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Haffner, **House Amendment No. 1** was adopted.

Representative Kidd offered **House Amendment No. 2**.

*House Amendment No. 2*

AMEND House Committee Substitute for House Bill No. 835, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

"204.569. When an unincorporated sewer subdistrict of a common sewer district has been formed pursuant to sections 204.565 to 204.573, the board of trustees of the common sewer district shall have the same powers with regard to the subdistrict as for the common sewer district as a whole, plus the following additional powers:

(1) To enter into agreements to accept, take title to, or otherwise acquire, and to operate such sewers, sewer systems, treatment and disposal facilities, and other property, both real and personal, of the political subdivisions included in the subdistrict as the board determines to be in the interest of the common sewer district to acquire or operate, according to such terms and conditions as the board finds reasonable, provided that such authority shall be in addition to the powers of the board of trustees pursuant to section 204.340;

(2) To provide for the construction, extension, improvement, and operation of such sewers, sewer systems, and treatment and disposal facilities, as the board determines necessary for the preservation of public health and maintenance of sanitary conditions in the subdistrict;

(3) For the purpose of meeting the costs of activities undertaken pursuant to the authority granted in this section, to issue bonds in anticipation of revenues of the subdistrict in the same manner as set out in sections 204.360 to 204.450, for other bonds of the common sewer district. Issuance of such bonds for the subdistrict shall require the assent only of four-sevenths of the voters of the subdistrict voting on the question~~], and]~~ **except that, as an alternative to such a vote, if the subdistrict is a part of a common sewer district located in whole or in part in any county of the first classification without a charter form of government adjacent to a county of the first classification with a charter form of government and a population of at least six hundred thousand and not more than seven hundred fifty thousand, bonds may be issued for such subdistrict if the question receives the written assent of three-quarters of the customers of the subdistrict in a manner consistent with section 204.370, where "customer", as used in this subdivision, means any political subdivision within the subdistrict that has a service or user agreement with the common sewer district.** The principal and interest of such bonds shall be payable only from the revenues of the subdistrict and not from any revenues of the common sewer district as a whole;

(4) To charge the costs of the common sewer district for operation and maintenance attributable to the subdistrict, plus a proportionate share of the common sewer district's costs of administration to revenues of the subdistrict and to consider such costs in determining reasonable charges to impose within the subdistrict under section 204.440;

(5) With prior concurrence of the subdistrict's advisory board, to provide for the treatment and disposal of sewage from the subdistrict in or by means of facilities of the common sewer district not located within the subdistrict, in which case the board of trustees shall also have authority to charge a proportionate share of the costs of the common sewer district for operation and maintenance to revenues of the subdistrict and to consider such costs in determining reasonable charges to impose within the subdistrict under section 204.440.

386.370. 1. The commission shall, prior to the beginning of each fiscal year beginning with the fiscal year commencing on July 1, 1947, make an estimate of the expenses to be incurred by it during such fiscal year reasonably attributable to the regulation of public utilities as provided in chapters 386, 392 and 393 and shall also separately estimate the amount of such expenses directly attributable to such regulation of each of the following groups of public utilities: Electrical corporations, gas corporations, water corporations, heating companies and telephone corporations, telegraph corporations, sewer corporations, and any other public utility as defined in section 386.020, as well as the amount of such expenses not directly attributable to any such group. For purposes of this section, water corporations and sewer corporations will be combined and considered one group of public utilities.

2. The commission shall allocate to each such group of public utilities the estimated expenses directly attributable to the regulation of such group and an amount equal to such proportion of the estimated expenses not directly attributable to any group as the gross intrastate operating revenues of such group during the preceding calendar year bears to the total gross intrastate operating revenues of all public utilities subject to the jurisdiction of the commission, as aforesaid, during such calendar year. The commission shall then assess the amount so allocated to each group of public utilities, subject to reduction as herein provided, to the public utilities in such group in proportion to their respective gross intrastate operating revenues during the preceding calendar year, except that the total amount so assessed to all such public utilities shall not exceed ~~[one-fourth]~~ **thirty-eight hundredths** of one percent of the total gross intrastate operating revenues of all utilities subject to the jurisdiction of the commission.

3. The commission shall render a statement of such assessment to each such public utility on or before July first and the amount so assessed to each such public utility shall be paid by it to the director of revenue in full on or before July fifteenth next following the rendition of such statement, except that any such public utility may at its election pay such assessment in four equal installments not later than the following dates next following the rendition of said statement, to wit: July fifteenth, October fifteenth, January fifteenth and April fifteenth. The director of revenue shall remit such payments to the state treasurer.

4. The state treasurer shall credit such payments to a special fund, which is hereby created, to be known as "The Public Service Commission Fund", which fund, or its successor fund created pursuant to section 33.571, shall be devoted solely to the payment of expenditures actually incurred by the commission and attributable to the regulation of such public utilities subject to the jurisdiction of the commission, as aforesaid. Any amount remaining in such special fund or its successor fund at the end of any fiscal year shall not revert to the general revenue fund, but shall be applicable by appropriation of the general assembly to the payment of such expenditures of the commission in the succeeding fiscal year and shall be applied by the commission to the reduction of the amount to be assessed to such public utilities in such succeeding fiscal year, such reduction to be allocated to each group of public utilities in proportion to the respective gross intrastate operating revenues of the respective groups during the preceding calendar year.

5. In order to enable the commission to make the allocations and assessments herein provided for, each public utility subject to the jurisdiction of the commission as aforesaid shall file with the commission, within ten days after August 28, 1996, and thereafter on or before March thirty-first of each year, a statement under oath showing its gross intrastate operating revenues for the preceding calendar year, and if any public utility shall fail to file such statement within the time aforesaid the commission shall estimate such revenue which estimate shall be binding on such public utility for the purpose of this section."; and

Further amend said bill, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

"394.120. 1. No person shall become a member of a cooperative unless such person shall agree to use electric energy furnished by the cooperative when such electric energy shall be available through its facilities. The bylaws of a cooperative may provide that any person, including an incorporator, shall cease to be a member thereof if he or she shall fail or refuse to use electric energy made available by the cooperative or if electric energy shall not be made available to such person by the cooperative within a specified time after such person shall have become a member thereof. Membership in the cooperative shall not be transferable, except as provided in the bylaws. The bylaws may prescribe additional qualifications and limitations in respect of membership.

2. An annual meeting of the members shall be held at such time as shall be provided in the bylaws.

3. Special meetings of the members may be called by the board of directors, by any three directors, by not less than ten percent of the members, or by the president.

4. Meetings of members shall be held at such place as may be provided in the bylaws. In the absence of any such provisions, all meetings shall be held in the city or town in which the principal office of the cooperative is located.

5. Except as herein otherwise provided, written or printed notice stating the time and place of each meeting of members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each member, either personally or by mail, not less than ten nor more than twenty-five days before the date of the meeting.

6. Two percent of the first two thousand members and one percent of the remaining members, present in person, or if the bylaws so provide, participating electronically or by mail, shall constitute a quorum for the transaction of business at all meetings of the members, unless the bylaws prescribe the presence of a greater percentage of the members for a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

7. Each member shall be entitled to one vote on each matter submitted to a vote at a meeting. Voting shall be in person, but, if the bylaws so provide, may also be by proxy, by electronic means, by mail, or any combination thereof. If the bylaws provide for voting by proxy, by electronic means, or by mail, they shall also prescribe the conditions under which proxy, electronic, or mail voting shall be exercised. In any event, no person shall vote as proxy for more than two members at any meeting of the members.

**8. Notwithstanding the provisions of subsections 2 and 7 of this section, the board of directors shall have the power to set the time and place of the annual meeting and also to provide for voting by proxy, electronic means, by mail, or any combination thereof, and to prescribe the conditions under which such voting shall be exercised. The meeting requirement provided in this section may be satisfied through virtual means. The provisions of this subsection shall expire on August 28, 2022.";** and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Kidd, **House Amendment No. 2** was adopted.

Speaker Vescovo assumed the Chair.

Representative Haden offered **House Amendment No. 3**.

*House Amendment No. 3*

AMEND House Committee Substitute for House Bill No. 835, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

"153.030. 1. All bridges over streams dividing this state from any other state owned, used, leased or otherwise controlled by any person, corporation, railroad company or joint stock company, and all bridges across or over navigable streams within this state, where the charge is made for crossing the same, which are now constructed, which are in the course of construction, or which shall hereafter be constructed, and all property, real and tangible personal, owned, used, leased or otherwise controlled by telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies and express companies shall be subject to taxation for state, county, municipal and other local purposes to the same extent as the property of private persons.

2. And taxes levied thereon shall be levied and collected in the manner as is now or may hereafter be provided by law for the taxation of railroad property in this state, and county commissions, county boards of equalization and the state tax commission are hereby required to perform the same duties and are given the same powers, including punitive powers, in assessing, equalizing and adjusting the taxes on the property set forth in this section as the county commissions and boards of equalization and state tax commission have or may hereafter be empowered with, in assessing, equalizing, and adjusting the taxes on railroad property; and an authorized officer of any such bridge, telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies, or express company or the owner of any such toll bridge, is hereby required to render reports of the property of such bridge, telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies, or express companies in like manner as the authorized officer of the railroad company is now or may hereafter be required to render for the taxation of railroad property.

3. On or before the fifteenth day of April in the year 1946 and each year thereafter an authorized officer of each such company shall furnish the state tax commission and county clerks a report, duly subscribed and sworn to by such authorized officer, which is like in nature and purpose to the reports required of railroads under chapter 151 showing the full amount of all real and tangible personal property owned, used, leased or otherwise controlled by each such company on January first of the year in which the report is due.

4. If any telephone company assessed pursuant to chapter 153 has a microwave relay station or stations in a county in which it has no wire mileage but has wire mileage in another county, then, for purposes of apportioning the assessed value of the distributable property of such companies, the straight line distance between such microwave relay stations shall constitute miles of wire. In the event that any public utility company assessed pursuant to this chapter has no distributable property which physically traverses the counties in which it operates, then the assessed value of the distributable property of such company shall be apportioned to the physical location of the distributable property.

5. (1) Notwithstanding any provision of law to the contrary, beginning January 1, 2019, a telephone company shall make a one-time election within the tax year to be assessed:

- (a) Using the methodology for property tax purposes as provided under this section; or
- (b) Using the methodology for property tax purposes as provided under this section for property consisting of land and buildings and be assessed for all other property exclusively using the methodology utilized under section 137.122.

If a telephone company begins operations, including a merger of multiple telephone companies, after August 28, 2018, it shall make its one-time election to be assessed using the methodology for property tax purposes as described under paragraph (b) of subdivision (1) of this subsection within the year in which the telephone company begins its operations. A telephone company that fails to make a timely election shall be deemed to have elected to be assessed using the methodology for property tax purposes as provided under subsections 1 to 4 of this section.

(2) The provisions of this subsection shall not be construed to change the original assessment jurisdiction of the state tax commission.

(3) Nothing in subdivision (1) of this subsection shall be construed as applying to any other utility.

(4) (a) The provisions of this subdivision shall ensure that school districts may avoid any fiscal impact as a result of a telephone company being assessed under the provisions of paragraph (b) of subdivision (1) of this subsection. If a school district's current operating levy is below the greater of its most recent voter-approved tax rate or the most recent voter-approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073, it shall comply with section 137.073.

(b) Beginning January 1, 2019, any school district currently operating at a tax rate equal to the greater of the most recent voter-approved tax rate or the most recent voter-approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073 that receives less tax revenue from a specific telephone company under this subsection, on or before January thirty-first of the year following the tax year in which the school district received less revenue from a specific telephone company, may by resolution of the school board impose a fee, as determined under this subsection, in order to obtain such revenue. The resolution shall include all facts that support the imposition of the fee. If the school district receives voter approval to raise its tax rate, the district shall no longer impose the fee authorized in this paragraph.

(c) Any fee imposed under paragraph (b) of this subdivision shall be determined by taking the difference between the tax revenue the telephone company paid in the tax year in question and the tax revenue the telephone company would have paid in such year had it not made an election under subdivision (1) of this subsection, which shall be calculated by taking the telephone company valuations in the tax year in question, as determined by the state tax commission under paragraph (d) of this subdivision, and applying such valuations to the apportionment process in subsection 2 of section 151.150. The school district shall issue a billing, as provided in this subdivision, to any such telephone company. A telephone company shall have forty-five days after receipt of a billing to remit its payment of its portion of the fees to the school district. Notwithstanding any other provision of law, the issuance or receipt of such fee shall not be used:

- a. In determining the amount of state aid that a school district receives under section 163.031;
- b. In determining the amount that may be collected under a property tax levy by such district; or
- c. For any other purpose.

For the purposes of accounting, a telephone company that issues a payment to a school district under this subsection shall treat such payment as a tax.

(d) When establishing the valuation of a telephone company assessed under paragraph (b) of subdivision (1) of this subsection, the state tax commission shall also determine the difference between the assessed value of a telephone company if:

- a. Assessed under paragraph (b) of subdivision (1) of this subsection; and
- b. Assessed exclusively under subsections 1 to 4 of this section.

The state tax commission shall then apportion such amount to each county and provide such information to any school district making a request for such information.

(e) This subsection shall expire when no school district is eligible for a fee.

6. (1) If any public utility company assessed pursuant to this chapter has ownership of any real or personal property associated with a project which uses wind energy directly to generate electricity, such wind energy project property shall be valued and taxed by any local authorities having jurisdiction under the provisions of chapter 137 and other relevant provisions of the law.

(2) Notwithstanding any provision of law to the contrary, beginning January 1, 2020, for any public utility company assessed pursuant to this chapter which has a wind energy project, such wind energy project shall be assessed using the methodology for real and personal property as provided in this subsection:

(a) Any wind energy property of such company shall be assessed upon the county assessor's local tax rolls;

(b) Any property consisting of land and buildings related to the wind energy project shall be assessed under chapter 137; and

(c) All other business or personal property related to the wind energy project shall be assessed using the methodology provided under section 137.122.

**7. (1) If any public utility company assessed under this chapter has ownership of any real or personal property associated with a generation project that was originally constructed utilizing financing authorized under chapter 100 for construction, upon the transfer of ownership of such property to the public utility, such property shall be valued and taxed by any local authorities having jurisdiction under the provisions of chapter 137 and other relevant provisions of law.**

**(2) Notwithstanding any provision of law to the contrary, beginning January 1, 2022, for any public utility company assessed under this chapter that has ownership of any real or personal property associated with a generation project that was originally constructed utilizing financing authorized under chapter 100 for construction, such property shall be assessed using the methodology for real and personal property as provided in this subsection, upon transfer of ownership of such property to the public utility:**

**(a) Any property associated with a generation project that was originally constructed utilizing financing authorized under chapter 100 for construction, such property shall be assessed upon the county assessor's local tax rolls; the assessor shall rely on the public utility's original depreciated cost of the generation portion of the property at the time of transfer of ownership in the determination of the initial valuation of the generation property;**

**(b) Any property consisting of land and buildings related to the generation property associated with a generation project that was originally constructed utilizing financing authorized under chapter 100 for construction shall be assessed under chapter 137; and**

**(c) All other business or personal property related to a generation project that was originally constructed utilizing financing authorized under chapter 100 for construction shall be assessed using the methodology provided under section 137.122.**

153.034. 1. The term "distributable property" of an electric company shall include all the real or tangible personal property which is used directly in the generation and distribution of electric power, but not property used as a collateral facility nor property held for purposes other than generation and distribution of electricity. Such distributable property includes, but is not limited to:

- (1) Boiler plant equipment, turbogenerator units and generators;
- (2) Station equipment;
- (3) Towers, fixtures, poles, conductors, conduit transformers, services and meters;
- (4) Substation equipment and fences;
- (5) Rights-of-way;
- (6) Reactor, reactor plant equipment, and cooling towers;
- (7) Communication equipment used for control of generation and distribution of power;
- (8) Land associated with such distributable property.

2. The term "local property" of an electric company shall include all real and tangible personal property owned, used, leased or otherwise controlled by the electric company not used directly in the generation and distribution of power and not defined in subsection 1 of this section as distributable property. Such local property includes, but is not limited to:

- (1) Motor vehicles;
- (2) Construction work in progress;
- (3) Materials and supplies;
- (4) Office furniture, office equipment, and office fixtures;
- (5) Coal piles and nuclear fuel;
- (6) Land held for future use;
- (7) Workshops, warehouses, office buildings and generating plant structures;
- (8) Communication equipment not used for control of generation and distribution of power;
- (9) Roads, railroads, and bridges;
- (10) Reservoirs, dams, and waterways;
- (11) Land associated with other locally assessed property and all generating plant land.

3. (1) Any real or tangible personal property associated with a project which uses wind energy directly to generate electricity shall be valued and taxed by local authorities having jurisdiction under the provisions of chapter 137 and any other relevant provisions of law. The method of taxation prescribed in subsection 2 of section 153.030 and subsection 1 of this section shall not apply to such property.

(2) The real or tangible personal property referenced in subdivision (1) of this subsection shall include all equipment whose sole purpose is to support the integration of a wind generation asset into an existing system. Examples of such property may include, but are not limited to, wind chargers, windmills, wind turbines, wind towers, and associated electrical equipment such as inverters, pad mount transformers, power lines, storage equipment directly associated with wind generation assets, and substations.

**4. For any real or tangible personal property associated with a generation project which was originally constructed utilizing financing authorized under chapter 100 for construction, upon the transfer of ownership of such property to a public utility, such property shall be valued and taxed by local authorities having jurisdiction under the provisions of chapter 137 and any other relevant provisions of law. The method of taxation prescribed in subsection 2 of section 153.030 and subsection 1 of this section shall not apply to such property."; and**

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Haden, **House Amendment No. 3** was adopted.

Representative O'Donnell offered **House Amendment No. 4**.

*House Amendment No. 4*

AMEND House Committee Substitute for House Bill No. 835, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

**"393.1700. 1. For purposes of this section and section 393.1705, the following terms shall mean:**

(1) "Ancillary agreement", a bond, insurance policy, letter of credit, reserve account, surety bond, interest rate lock or swap arrangement, hedging arrangement, liquidity or credit support arrangement, or other financial arrangement entered into in connection with securitized utility tariff bonds;

(2) "Assignee", a legally recognized entity to which an electrical corporation assigns, sells, or transfers, other than as security, all or a portion of its interest in or right to securitized utility tariff property. The term includes a corporation, limited liability company, general partnership or limited partnership, public authority, trust, financing entity, or any entity to which an assignee assigns, sells, or transfers, other than as security, its interest in or right to securitized utility tariff property;

(3) "Bondholder", a person who holds a securitized utility tariff bond;

(4) "Code", the uniform commercial code, chapter 400;

(5) "Commission", the Missouri public service commission;

(6) "Electrical corporation", the same as defined in section 386.020 but shall not include an electrical corporation as described in subsection 2 of section 393.110;

(7) "Energy transition costs", all of the following:

(a) Pretax costs with respect to a retired or abandoned or to be retired or abandoned electric generating facility that is the subject of a petition for a financing order filed under this section where such early retirement or abandonment is deemed reasonable and prudent by the commission through a final order issued by the commission include, but are not limited to, the undepreciated investment in the retired or abandoned or to be retired or abandoned electric generating facility and any facilities ancillary thereto or used in conjunction therewith, costs of decommissioning and restoring the site of the electric generating facility, other applicable capital and operating costs, accrued carrying charges, and deferred expenses with the foregoing to be reduced by applicable tax benefits of accumulated and excess deferred income taxes, insurance scrap and salvage proceeds and include the cost of retiring any existing indebtedness, fees, costs, and expenses to modify existing debt agreements or for waivers or consents related to existing debt agreements; and

(b) Pretax costs that an electrical corporation has previously incurred related to the retirement or abandonment of such an electric generating facility occurring before August 28, 2021;

(8) "Financing costs", includes all of the following:

(a) Interest and acquisition, defeasance, or redemption premiums payable on securitized utility tariff bonds;

(b) Any payment required under an ancillary agreement and any amount required to fund or replenish a reserve account or other accounts established under the terms of any indenture, ancillary agreement, or other financing documents pertaining to securitized utility tariff bonds;

(c) Any other cost related to issuing, supporting, repaying, refunding, and servicing securitized utility tariff bonds, including servicing fees, accounting and auditing fees, trustee fees, legal fees, consulting fees, structuring adviser fees, administrative fees, placement and underwriting fees, independent director and manager fees, capitalized interest, rating agency fees, stock exchange listing and compliance fees, security registration fees, filing fees, information technology programming costs, and any other costs necessary to otherwise ensure the timely payment of securitized utility tariff bonds or other amounts or charges payable in connection with the bonds, including costs related to obtaining the financing order;

(d) Any taxes and license fees or other fees imposed on the revenues generated from the collection of the securitized utility tariff charge or otherwise resulting from the collection of securitized utility tariff charges, in any such case whether paid, payable, or accrued;

(e) Any state and local taxes, franchise, gross receipts, and other taxes or similar charges, including commission assessment fees, whether paid, payable, or accrued; and

(f) Any costs of the commission needed to perform the commission responsibilities under this act in connection with the issuance of a financing order including costs to engage counsel and a financial advisor;

(9) "Financing order", an order from the commission that authorizes the issuance of securitized utility tariff bonds; the imposition, collection, and periodic adjustments of a securitized utility tariff charge; the creation of securitized utility tariff property; and the sale, assignment, or transfer of energy transition property to an assignee;

(10) "Financing party", bondholders and trustees, collateral agents, any party under an ancillary agreement, or any other person acting for the benefit of bondholders;

(11) "Financing statement", the same as defined in article 9 of the code;

(12) "Pledge", a financing party to which an electrical corporation or its successors or assignees mortgages, negotiates, pledges, or creates a security interest or lien on all or any portion of its interest in or right to securitized utility tariff property;

(13) "Qualified extraordinary costs", costs incurred prudently before, on, or after the effective date of this section of an extraordinary nature which could cause extreme customer rate impacts if reflected in retail customer rates through customary ratemaking including, but not limited to, those related to purchases of fuel or power, inclusive of carrying charges, during anomalous weather events;

(14) "Rate base cutoff date", the same as defined in subdivision (4) of subsection 1 of section 393.1400 as such term existed on August 28, 2021;

(15) "Securitized utility tariff bonds", bonds, debentures, notes, certificates of participation, certificates of beneficial interest, certificates of ownership, or other evidence of indebtedness or ownership that are issued by an electrical corporation or an assignee pursuant to a financing order, the proceeds of which are used directly or indirectly to recover, finance, or refinance commission-approved energy transition costs and financing costs, and that are secured by or payable from energy transition property. If certificates of participation or ownership are issued, references in this section to principal, interest, or premium shall be construed to refer to comparable amounts under those certificates;

(16) "Securitized utility tariff charge", the amounts authorized by the commission to repay, finance, or refinance energy transition costs and financing costs and that are, except as otherwise provided for in this section, nonbypassable charges imposed on and part of all retail customer bills collected by an electrical corporation or its successors or assignees or a collection agent, in full, separate and apart from the electrical corporation's base rates, and paid by all existing or future retail customers receiving electrical service from the electrical corporation or its successors or assignees under commission-approved rate schedules, except for customers receiving electrical service under special contracts as of August 28, 2021, even if a retail customer elects to purchase electricity from an alternative electricity supplier following a fundamental change in regulation of public utilities in this state;

(17) "Securitized utility tariff costs", either energy transition costs or qualified extraordinary costs, as the case may be;

(18) "Securitized utility tariff property", all of the following:

(a) All rights and interests of an electrical corporation or successor or assignee of the electrical corporation under a financing order, including the right to impose, bill, charge, collect, and receive securitized utility tariff charges authorized under the financing order and to obtain periodic adjustments to such charges as provided in the financing order; and

(b) All revenues, collections, claims, rights to payments, payments, moneys, or proceeds arising from the rights and interests specified in the financing order, regardless of whether such revenues, collections, claims, rights to payment, payments, moneys, or proceeds are imposed, billed, received, collected, or maintained together with or commingled with other revenues, collections, rights to payment, payments, moneys, or proceeds;

(19) "Special contract", electrical service provided under the terms of a special incremental load rate schedule at a fixed price rate approved by the commission.

2. (1) An electrical corporation may petition the commission for a financing order to finance energy transition costs through an issuance of securitized utility tariff bonds. The petition shall include all of the following:

(a) A description of the electric generating facility or facilities that the electrical corporation has retired or abandoned, or proposes to retire or abandon, prior to the date that all undepreciated investments relating thereto have been recovered through rates and the reasons for undertaking such early retirement or abandonment, or if the electrical corporation is subject to a separate commission order or proceeding relating to such retirement or abandonment as contemplated by subdivision (2) of this subsection, and a description of the order or other proceeding;

(b) The energy transition costs;

(c) An indicator of whether the electrical corporation proposes to finance all or a portion of the energy transition costs using securitized utility tariff bonds. If the electrical corporation proposes to finance a portion of the costs, the electrical corporation shall identify the specific portion in the petition. By electing not to finance all or any portion of such energy transition costs using securitized utility tariff bonds, an electrical corporation shall not be deemed to waive its right to recover such costs pursuant to a separate proceeding with the commission;

(d) An estimate of the financing costs related to the securitized utility tariff bonds;

(e) An estimate of the energy transition charges necessary to recover the securitized utility tariff costs and financing costs and the period for recovery of such costs;

(f) A comparison between the net present value of the costs to customers that are estimated to result from the issuance of securitized utility tariff bonds and the costs that would result from the application of the traditional method of financing and recovering the undepreciated investment of facilities that may become securitized utility tariff costs from customers. The comparison should demonstrate that the issuance of energy transition bonds and the imposition of securitized utility tariff charges are expected to provide quantifiable benefits to quantifiable benefits to customers;

(g) A proposed future ratemaking process to reconcile any differences between securitized utility tariff costs financed by securitized utility tariff bonds and the final securitized costs incurred by the electrical corporation or assignee provided that any such reconciliation shall not affect the amount of securitized utility tariff bonds or the associated securitized utility tariff charges paid by customers; and

(h) Direct testimony and schedules supporting the petition.

(2) An electrical corporation may petition the commission for a financing order to securitize qualified extraordinary costs. The petition shall include all of the following:

(a) A description of the qualified extraordinary costs, including their magnitude, the reasons those costs were incurred by the electrical corporation and the retail customer rate impact that would result from customary ratemaking treatment of such costs;

(b) An indicator of whether the electrical corporation proposes to finance all or a portion of the qualified extraordinary costs using securitized utility tariff bonds. If the electrical corporation proposes to finance a portion of the costs, the electrical corporation shall identify the specific portion in the petition. By electing not to finance all or any portion of such qualified extraordinary costs using securitized utility tariff bonds, an electrical corporation shall not be deemed to waive its right to reflect recover such costs in its retail rates pursuant to a separate proceeding with the commission;

(c) An estimate of the financing costs related to the securitized utility tariff bonds;

(d) An estimate of the securitized utility tariff charges necessary to recover the qualified extraordinary costs and financing costs and the period for recovery of such costs;

(e) A comparison between the net present value of the costs to customers that are estimated to result from the issuance of securitized utility tariff bonds and the costs that would result from the application of the customary method of financing and reflecting covering the qualified extraordinary costs in from retail customer rates. The comparison should demonstrate that the issuance of securitized utility tariff bonds and the imposition of securitized utility tariff charges are expected to provide quantifiable benefits to retail customers;

(f) A proposed future ratemaking process to reconcile any differences between securitized utility tariff costs financed by securitized utility tariff bonds and the final securitized costs incurred by the electrical corporation or assignee provided that any such reconciliation shall not affect the amount of securitized utility tariff bonds or the associated securitized utility tariff charges paid by customers;

**(g) Direct testimony and schedules supporting the petition.**

**(3) (a) Proceedings on a petition submitted pursuant to this subdivision begin with the petition by an electrical corporation, filed subject to the time frame specified in subdivision (2) of this subsection, if applicable, and shall be disposed of in accordance with the requirements of this section and the rules of the commission, except as follows:**

**a. Within fourteen days after the date the petition is filed, the commission shall establish a procedural schedule that permits a commission decision no later than one hundred thirty-five days after the date the petition is filed;**

**b. No later than one hundred thirty-five days after the date the petition is filed, the commission shall issue a financing order approving the petition or an order rejecting the petition; provided, however, that the electrical corporation shall provide notice of intent to file a petition for in proceedings initiated by the first petition for a financing order to the commission no less than 60 days in advance of such filing; and**

**c. An adversely affected party may seek judicial review of a financing order in accordance with sections 386.500 and 386.510.**

**(b) A financing order issued by the commission, after a hearing, to an electrical corporation shall include all of the following elements:**

**a. The amount of securitized utility tariff costs to be financed using securitized utility tariff bonds and a finding that recovery of such costs is just and reasonable. The commission shall describe and estimate the amount of financing costs that may be recovered through securitized utility tariff charges and specify the period over which securitized utility tariff costs and financing costs may be recovered;**

**b. A finding that the proposed issuance of securitized utility tariff bonds and the imposition and collection of a securitized utility tariff charge are just and reasonable and are expected to provide quantifiable benefits to customers as compared to the costs to recover the securitized utility tariff costs that would have been incurred absent the issuance of securitized utility tariff bonds;**

**c. A finding that the structuring and pricing of the securitized utility tariff bonds are reasonably expected to result in the lowest securitized utility tariff charges consistent with market conditions at the time the securitized utility tariff bonds are priced and the terms of the financing order;**

**d. A requirement that, for so long as the securitize utility tariff bonds are outstanding and until all financing costs have been paid in full, the imposition and collection of energy transition charges authorized under a financing order shall be nonbypassable and paid by all existing and future retail customers receiving electrical service from the electrical corporation or its successors or assignees under commission-approved rate schedules, except for customers receiving electrical service under special contracts on August 28, 2021, even if a retail customer elects to purchase electricity from an alternative electric supplier following a fundamental change in regulation of public utilities in this state;**

**e. A formula-based, true-up mechanism for making, at least annually, expeditious periodic adjustments in the securitized utility tariff charges that customers are required to pay pursuant to the financing order and for making any adjustments that are necessary to correct for any overcollection or undercollection of the charges or to otherwise ensure the timely payment of securitized utility tariff bonds and financing costs and other required amounts and charges payable in connection with the energy transition bonds;**

**f. The securitized utility tariff property that is, or shall be, created in favor of an electrical corporation or its successors or assignees and that shall be used to pay or secure energy transition bonds and all financing costs;**

**g. The degree of flexibility to be afforded to the electrical corporation in establishing the terms and conditions of the securitized utility tariff bonds, including, but not limited to, repayment schedules, expected interest rates, and other financing costs;**

**h. How securitized utility tariff charges will be allocated among retail customer classes. The initial allocation shall remain in effect until the electrical corporation completes a general rate proceeding, and once the commission's order from that general rate proceeding becomes final, all subsequent applications of an adjustment mechanism regarding securitized utility tariff charges shall incorporate changes in the allocation of costs to customers as detailed in the commission's order from the electrical corporation's most recent general rate proceeding;**

**i. A requirement that, after the final terms of an issuance of securitized utility tariff bonds have been established and before the issuance of securitized utility tariff bonds, the electrical corporation determines the resulting initial securitized utility tariff charge in accordance with the financing order and that such initial**

securitized utility tariff charge be final and effective upon the issuance of such securitized utility tariff bonds without further commission action so long as the securitized utility tariff charge is consistent with the financing order;

j. A method of tracing funds collected as securitized utility tariff charges, or other proceeds of securitized utility tariff property, determining that such method shall be deemed the method of tracing such funds and determining the identifiable cash proceeds of any securitized utility tariff property subject to a financing order under applicable law;

k. A statement specifying a future ratemaking process to reconcile any differences between the actual securitized utility tariff costs financed by securitized utility tariff bonds and the final securitized utility tariff costs incurred by the electrical corporation or assignee provided that any such reconciliation shall not affect the amount of securitized utility tariff bonds or the associated securitized utility tariff charges paid by customers;

l. A procedure that shall allow the electrical corporation to earn a return, at the cost of capital authorized from time to time by the commission in the electrical corporation's rate proceedings, on any moneys advanced by the electrical corporation to fund reserves, if any, or capital accounts established under the terms of any indenture, ancillary agreement, or other financing documents pertaining to the securitized utility tariff bonds;

m. In a financing order granting authorization to securitize energy transition costs or in a financing order granting authorization to securitize qualified extraordinary costs that include retired or abandoned facility costs, a procedure for the treatment of accumulated deferred income taxes and excess deferred income taxes in connection with the retired or abandoned or to be retired or abandoned electric generating facility, or in connection with retired or abandoned facilities included in qualified extraordinary costs. The accumulated deferred income taxes, including excess deferred income taxes, shall be excluded from rate base in future general rate cases and the net tax benefits relating to amounts that will be recovered through the issuance of securitized utility tariff bonds shall be credited to retail customers by reducing the amount of such securitized utility tariff bonds that would otherwise be issued. The customer credit shall include the net present value of the tax benefits, calculated using a discount rate equal to the expected interest rate of the securitized utility tariff bonds, for the estimated accumulated and excess deferred income taxes at the time of securitization including timing differences created by the issuance of securitized utility tariff bonds amortized over the period of the bonds multiplied by the expected interest rate on such securitized utility tariff bonds;

n. An outside date, which shall not be earlier than one year after the date the financing order is no longer subject to appeal, when the authority to issue securitized utility tariff bonds granted in such financing order shall expire; and

o. Any other conditions that the commission considers appropriate and that are authorized by this section.

(c) A financing order issued to an electrical corporation may provide that creation of the electrical corporation's securitized utility tariff property is conditioned upon, and simultaneous with, the sale or other transfer of the securitized utility tariff property to an assignee and the pledge of the securitized utility tariff property to secure energy transition bonds.

(d) If the commission issues a financing order, the electrical corporation shall file with the commission at least annually a petition or a letter applying the formula-based, true-up mechanism and, based on estimates of consumption for each rate class and other mathematical factors, request administrative approval to make the applicable adjustments. The review of the filing shall be limited to determining whether there are any mathematical or clerical errors in the application of the formula-based, true-up mechanism relating to the appropriate amount of any overcollection or undercollection of securitized utility tariff charges and the amount of an adjustment. The adjustments shall ensure the recovery of revenues sufficient to provide for the payment of principal, interest, acquisition, defeasance, financing costs, or redemption premium and other fees, costs, and charges in respect of securitized utility tariff bonds approved under the financing order. Within thirty days after receiving an electrical corporation's request pursuant to this paragraph, the commission shall either approve the request or inform the electrical corporation of any mathematical or clerical errors in its calculation. If the commission informs the electrical corporation of mathematical or clerical errors in its calculation, the electrical corporation may correct its error and refile its request. The time frames previously described in this paragraph shall apply to a refiled request.

(e) a. At the time of any transfer of securitized utility tariff property to an assignee or the issuance of securitized utility tariff bonds authorized thereby, whichever is earlier, a financing order is irrevocable and, except for changes made pursuant to the formula-based, true-up mechanism authorized in this section, the commission may not amend, modify, or terminate the financing order by any subsequent action or reduce, impair, postpone, terminate, or otherwise adjust securitized utility tariff charges approved in the financing order. After the issuance of a financing order, the electrical corporation retains sole discretion regarding whether to assign, sell, or otherwise transfer securitized utility tariff property or to cause securitized utility tariff bonds to be issued, including the right to defer or postpone such assignment, sale, transfer, or issuance.

b. The commission, in a financing order and subject to the issuance advice letter process under subparagraph c of this paragraph, shall afford the electrical corporation flexibility in establishing the terms and conditions for the securitized utility tariff bonds to accommodate changes in market conditions, including repayment schedules, interest rates, financing costs, collateral requirements, required debt service and other reserves and the ability of the electrical corporation, at its option, to effect a series of issuances of securitized utility tariff bonds and correlated assignments, sales, pledges or other transfers of securitized utility tariff property. Any changes made under this sub-paragraph to terms and conditions for the securitized utility tariff bonds shall be in conformance with the financing order.

c. As the actual structure and pricing of the securitized utility tariff bonds will be unknown at the time the financing order is issued, the electrical corporation that intends to cause the issuance of such bonds shall provide to the commission, prior to the issuance of each series of bonds, an issuance advice letter following the determination of the final terms of such series of bonds no later than one day after the pricing of the securitized utility tariff bonds. The commission shall have the authority to designate a representative from commission staff, who may be advised by a financial adviser contracted with the commission, to observe all facets of the process undertaken by the electrical corporation to place the securitized utility tariff bonds to market so the commission's representative can be prepared, if requested, to provide the commission with an opinion on the reasonableness of the pricing, terms and conditions of the securitized utility tariff bonds on an expedited basis. The form of such issuance advice letter shall be included in the financing order and shall indicate the final structure of the securitized utility tariff bonds and provide the best available estimate of total ongoing financing costs. The issuance advice letter shall report the initial securitized utility tariff charges and other information specific to the securitized utility tariff bonds to be issued, as the commission may require. Unless an earlier date is specified in the financing order, the electrical corporation may proceed with the issuance of the securitized utility tariff bonds unless, prior to noon on the fourth business day after the commission receives the issuance advice letter, the commission issues a disapproval letter directing that the bonds as proposed shall not be issued and the basis for that disapproval. The financing order may provide such additional provisions relating to the issuance advice letter process as the commission considers appropriate and as are authorized by this section.

(4) (a) In performing the responsibilities of this section in connection with the issuance of a financing order, the commission shall undertake due diligence as it deems appropriate prior to the issuance of the financing order pursuant to which the commission may request additional information from the electrical corporation and may engage a financial advisor and counsel as the commission deems necessary. Any financial advisor or counsel engaged by the commission shall have a fiduciary duty with respect to the proposed issuance of securitized utility bonds solely to the commission. All expenses associated with such services shall be included in the securitized utility tariff charge.

(b) If an electrical corporation's petition for a financing order is denied or withdrawn, or for any reason securitized utility tariff bonds are not issued, any costs of retaining a financial advisor and counsel on behalf of the commission shall be paid by the petitioning electrical corporation and shall be eligible for full recovery, including carrying costs, in the electrical corporation's future rates.

(5) At the request of an electrical corporation, the commission may commence a proceeding and issue a subsequent financing order that provides for refinancing, retiring, or refunding securitized utility tariff bonds issued pursuant to the original financing order if the commission finds that the subsequent financing order satisfies all of the criteria specified in this section for a financing order. Effective upon retirement of the refunded securitized utility tariff bonds and the issuance of new securitized utility tariff bonds, the commission shall adjust the related energy transition charges accordingly.

(6) (a) A financing order remains in effect and securitized utility tariff property under the financing order continues to exist until securitized utility tariff bonds issued pursuant to the financing order have been paid in full or defeased and, in each case, all commission-approved financing costs of such securitized utility tariff bonds have been recovered in full.

(b) A financing order issued to an electrical corporation remains in effect and unabated notwithstanding the reorganization, bankruptcy, or other insolvency proceeding, merger, or sale of the electrical corporation or its successors or assignees.

3. (1) The commission may not, in exercising its powers and carrying out its duties regarding any matter within its authority, consider the securitized utility tariff bonds issued pursuant to a financing order to be the debt of the electrical corporation other than for federal and state income tax purposes, consider the securitized utility tariff charges paid under the financing order to be the revenue of the electrical corporation for any purpose, consider the securitized utility tariff costs or financing costs specified in the financing order to be the costs of the electrical corporation nor may the commission determine any action taken by an electrical corporation which is consistent with the financing order to be unjust or unreasonable, and section 386.300 shall not apply to the issuance of securitized utility tariff bonds.

(2) Securitized utility tariff charges shall not be utilized or accounted for in determining the electrical corporation's average overall rate, as defined in section 393.1655 and as used to determine the maximum retail rate impact limitations provided for by subsections 3 and 4 of section 393.1655.

(3) No electrical corporation is required to file a petition for a financing order under this section or otherwise utilize this section. An electrical corporation's decision not to file a petition for a financing order under this section or otherwise utilize this section shall not be admissible in any commission proceeding, nor shall it be otherwise utilized or relied on by the commission in any proceeding respecting the electrical corporation's rates or its accounting, including, without limitation, any general rate proceeding, fuel adjustment clause docket, or proceedings relating to accounting authority, whether initiated by the electrical corporation or otherwise. The commission may not order or otherwise directly or indirectly require an electrical corporation to use securitized utility tariff bonds to recover securitized utility tariff costs or to finance any project, addition, plant, facility, extension, capital improvement, equipment, or any other expenditure. After the issuance of a financing order, the electrical corporation retains sole discretion regarding whether to cause the securitized utility tariff bonds to be issued, including the right to defer or postpone such sale, assignment, transfer, or issuance. Nothing shall prevent the electrical corporation from abandoning the issuance of securitized utility tariff bonds under the financing order by filing with the commission a statement of abandonment and the reasons therefore; provided, that the electrical corporation's abandonment decision shall not be deemed imprudent because of the potential availability of securitized utility tariff bond financing.

(4) The commission may not refuse to allow an electrical corporation to recover securitized utility tariff costs in an otherwise permissible fashion, or refuse or condition authorization or approval of the issuance and sale by an electrical corporation of securities or the assumption by the electrical corporation of liabilities or obligations, because of the potential availability of securitized utility tariff bond financing.

(5) The commission may not, directly or indirectly, utilize or consider the debt reflected by the securitized utility tariff bonds in establishing the electrical corporation's capital structure used to determine any regulatory matter including, but not limited to the electrical corporation's revenue requirement used to set its rates.

(6) The commission may not, directly or indirectly, consider the existence of securitized utility tariff bonds or the potential use of securitized utility tariff bond financing proceeds in determining the electrical corporation's authorized rate of return used to determine the electrical corporation's revenue requirement used to set its rates.

4. The electric bills of an electrical corporation that has obtained a financing order and caused securitized utility tariff bonds to be issued shall comply with the provisions of this subsection; however, the failure of an electrical corporation to comply with this subsection does not invalidate, impair, or affect any financing order, securitized utility tariff property, securitized utility tariff charge, or securitized utility tariff bonds. The electrical corporation shall do the following:

(1) Explicitly reflect that a portion of the charges on such bill represents securitized utility tariff charges approved in a financing order issued to the electrical corporation and, if the securitized utility tariff property has been transferred to an assignee, shall include a statement to the effect that the assignee is the

owner of the rights to securitized utility tariff charges and that the electrical corporation or other entity, if applicable, is acting as a collection agent or servicer for the assignee. The tariff applicable to customers shall indicate the securitized utility tariff charge and the ownership of the charge; and

(2) Include the securitized utility tariff charge on each customer's bill as a separate line item and include both the rate and the amount of the charge on each bill.

5. (1) (a) All securitized utility tariff property that is specified in a financing order constitutes an existing, present, intangible property right or interest therein, notwithstanding that the imposition and collection of securitized utility tariff charges depends on the electrical corporation, to which the financing order is issued, performing its servicing functions relating to the collection of energy transition charges and on future electricity consumption. The property exists:

a. Regardless of whether the revenues or proceeds arising from the property have been billed, have accrued, or have been collected; and

b. Notwithstanding the fact that the value or amount of the property is dependent on the future provision of service to customers by the electrical corporation or its successors or assignees and the future consumption of electricity by customers.

(b) Securitized utility tariff property specified in a financing order exists until securitized utility tariff bonds issued pursuant to the financing order are paid in full and all financing costs and other costs of such energy transition bonds have been recovered in full.

(c) All or any portion of securitized utility tariff property specified in a financing order issued to an electrical corporation may be transferred, sold, conveyed, or assigned to a successor or assignee that is wholly owned, directly or indirectly, by the electrical corporation and created for the limited purpose of acquiring, owning, or administering securitized utility tariff property or issuing securitized utility tariff bonds under the financing order. All or any portion of securitized utility tariff property may be pledged to secure securitized utility tariff bonds issued pursuant to the financing order, amounts payable to financing parties and to counterparties under any ancillary agreements, and other financing costs. Any transfer, sale, conveyance, assignment, grant of a security interest in or pledge of securitized utility tariff property by an electrical corporation, or an affiliate of the electrical corporation, to an assignee, to the extent previously authorized in a financing order, does not require the prior consent and approval of the commission.

(d) If an electrical corporation defaults on any required remittance of securitized utility tariff charges arising from securitized utility tariff property specified in a financing order, a court, upon application by an interested party, and without limiting any other remedies available to the applying party, shall order the sequestration and payment of the revenues arising from the securitized utility tariff property to the financing parties or their assignees. Any such financing order remains in full force and effect notwithstanding any reorganization, bankruptcy, or other insolvency proceedings with respect to the electrical corporation or its successors or assignees.

(e) The interest of a transferee, purchaser, acquirer, assignee, or pledgee in securitized utility tariff property specified in a financing order issued to an electrical corporation, and in the revenue and collections arising from that property, is not subject to setoff, counterclaim, surcharge, or defense by the electrical corporation or any other person or in connection with the reorganization, bankruptcy, or other insolvency of the electrical corporation or any other entity.

(f) Any successor to an electrical corporation, whether pursuant to any reorganization, bankruptcy, or other insolvency proceeding or whether pursuant to any merger or acquisition, sale, or other business combination, or transfer by operation of law, as a result of electrical corporation restructuring or otherwise, shall perform and satisfy all obligations of, and have the same rights under a financing order as, the electrical corporation under the financing order in the same manner and to the same extent as the electrical corporation, including collecting and paying to the person entitled to receive the revenues, collections, payments, or proceeds of the securitized utility tariff property. Nothing in this section is intended to limit or impair any authority of the commission concerning the transfer or succession of interests of public utilities.

(g) Securitized utility tariff bonds shall be nonrecourse to the credit or any assets of the electrical corporation other than the securitized utility tariff property as specified in the financing order and any rights under any ancillary agreement.

(2) (a) The creation, perfection, and enforcement of any security interest in securitized utility tariff property to secure the repayment of the principal and interest and other amounts payable in respect of

securitized utility tariff bonds, amounts payable under any ancillary agreement and other financing costs are governed by this section and not by the provisions of the code, except as otherwise provided in this section.

(b) A security interest in securitized utility tariff property is created, valid, and binding at the later of the time:

- a. The financing order is issued;
- b. A security agreement is executed and delivered by the debtor granting such security interest;
- c. The debtor has rights in such securitized utility tariff property or the power to transfer rights in such securitized utility tariff property; or
- d. Value is received for the securitized utility tariff property.

The description of securitized utility tariff property in a security agreement is sufficient if the description refers to this section and the financing order creating the securitized utility tariff property.

(c) Upon the filing of a financing statement with the office of the secretary of state as provided in this section, a security interest in securitized utility tariff property shall be perfected against all parties having claims of any kind in tort, contract, or otherwise against the person granting the security interest, and regardless of whether the parties have notice of the security interest. Without limiting the foregoing, upon such filing, a security interest in securitized utility tariff property shall be perfected against all claims of lien creditors, and shall have priority over all competing security interests and other claims other than any security interest previously perfected in accordance with this section.

(d) The priority of a security interest in securitized utility tariff property is not affected by the commingling of securitized utility tariff charges with other amounts. Any pledgee or secured party shall have a perfected security interest in the amount of all securitized utility tariff charges that are deposited in any cash or deposit account of the qualifying electrical corporation in which securitized utility tariff charges have been commingled with other funds and any other security interest that may apply to those funds shall be terminated when they are transferred to a segregated account for the assignee or a financing party.

(e) No application of the formula-based, true-up mechanism as provided in this section will affect the validity, perfection, or priority of a security interest in or transfer of securitized utility tariff property.

(f) If a default occurs under the securitized utility tariff bonds that are secured by a security interest in securitized utility tariff property, the financing parties or their representatives may exercise the rights and remedies available to a second party under the uniform commercial code, including all rights and remedies available. The commission may also order amounts arising from securitized utility tariff charges to be transferred to a separate account for the financing parties' benefit, to which their lien and security interest shall apply. On application by or on behalf of the financing parties, the circuit court for the county or city in which the electrical corporation's headquarters is located shall order the sequestration and payment to them of revenues arising from the securitized utility tariff charges.

(3) (a) Any sale, assignment, or other transfer of securitized utility tariff property shall be an absolute transfer and true sale of, and not a pledge of or secured transaction relating to, the seller's right, title, and interest in, to, and under the energy transition property if the documents governing the transaction expressly state that the transaction is a sale or other absolute transfer other than for federal and state income tax purposes. For all purposes other than federal and state income tax purposes, the parties' characterization of a transaction as a sale of an interest in securitized utility tariff property shall be conclusive that the transaction is a true sale and that ownership has passed to the party characterized as the purchaser, regardless of whether the purchaser has possession of any documents evidencing or pertaining to the interest. A sale or similar outright transfer of an interest in securitized utility tariff property may occur only when all of the following have occurred:

- a. The financing order creating the securitized utility tariff property has become effective;
- b. The documents evidencing the transfer of securitized utility tariff property have been executed by the assignor and delivered to the assignee; and
- c. Value is received for the securitized utility tariff property.

After such a transaction, the securitized utility tariff property is not subject to any claims of the transferor or the transferor's creditors, other than creditors holding a prior security interest in the securitized utility tariff property perfected in accordance with this section.

(b) The characterization of the sale, assignment, or other transfer as an absolute transfer and true sale and the corresponding characterization of the property interest of the purchaser, shall not be affected or impaired by the occurrence of any of the following factors:

- a. Commingling of securitized utility tariff charges with other amounts;
- b. The retention by the seller of a partial or residual interest, including an equity interest, in the energy transit securitized utility tariff property, whether direct or indirect, or whether subordinate or otherwise, or the right to recover costs associated with taxes, franchise fees, or license fees imposed on the collection of securitized utility tariff charges;
- c. Any recourse that the purchaser may have against the seller;
- d. Any indemnification rights, obligations, or repurchase rights made or provided by the seller;
- e. The obligation of the seller to collect securitized utility tariff charges on behalf of an assignee;
- f. The transferor acting as the servicer of the securitized utility tariff charges or the existence of any contract that authorizes or requires the electrical corporation, to the extent that any interest in securitized utility tariff property is sold or assigned, to contract with the assignee or any financing party that it will continue to operate its system to provide service to its customers, will collect amounts in respect of the securitized utility tariff charges for the benefit and account of such assignee or financing party and will account for and remit such amounts to or for the account of such assignee or financing party;
- g. The treatment of the sale, conveyance, assignment, or other transfer for tax, financial reporting, or other purposes;
- h. The granting or providing to bondholders a preferred right to the securitized utility tariff property or credit enhancement by the electrical corporation or its affiliates with respect to such securitized utility tariff bonds; or
- i. Any application of the formula-based, true-up mechanism as provided in this section.

(c) Any right that an electrical corporation has in the securitized utility tariff property before its pledge, sale, or transfer or any other right created under this section or created in the financing order and assignable under this section or assignable pursuant to a financing order, is property in the form of a contract right or a chose in action. Transfer of an interest in securitized utility tariff property to an assignee is enforceable only upon the later of:

- a. The issuance of a financing order;
- b. The assignor having rights in such securitized utility tariff property or the power to transfer rights in such securitized utility tariff property to an assignee; and
- c. The execution and delivery by the assignor of transfer documents in connection with the issuance of securitized utility tariff bonds; and
- d. The receipt of value for the securitized utility tariff property.

An enforceable transfer of an interest in securitized utility tariff property to an assignee is perfected against all third parties, including subsequent judicial or other lien creditors, when a notice of that transfer has been given by the filing of a financing statement in accordance with subsection 7 of this section. The transfer is perfected against third parties as of the date of filing.

(d) The priority of a transfer perfected under this section is not impaired by any later modification of the financing order or securitized utility tariff property or by the commingling of funds arising from securitized utility tariff property with other funds. Any other security interest that may apply to those funds, other than a security interest perfected under this section, is terminated when they are transferred to a segregated account for the assignee or a financing party. If securitized utility tariff property has been transferred to an assignee or financing party, any proceeds of that property shall be held in trust for the assignee or financing party.

(e) The priority of the conflicting interests of assignees in the same interest or rights in any securitized utility tariff property is determined as follows:

- a. Conflicting perfected interests or rights of assignees rank according to priority in time of perfection. Priority dates from the time a filing covering the transfer is made in accordance with subsection 7 of this section;
- b. A perfected interest or right of an assignee has priority over a conflicting unperfected interest or right of an assignee; and

c. A perfected interest or right of an assignee has priority over a person who becomes a lien creditor after the perfection of such assignee's interest or right.

6. The description of securitized utility tariff property being transferred to an assignee in any sale agreement, purchase agreement, or other transfer agreement, granted or pledged to a pledgee in any security agreement, pledge agreement, or other security document, or indicated in any financing statement is only sufficient if such description or indication refers to the financing order that created the securitized utility tariff property and states that the agreement or financing statement covers all or part of the property described in the financing order. This section applies to all purported transfers of, and all purported grants or liens or security interests in, securitized utility tariff property, regardless of whether the related sale agreement, purchase agreement, other transfer agreement, security agreement, pledge agreement, or other security document was entered into, or any financing statement was filed.

7. The secretary of state shall maintain any financing statement filed to perfect a sale or other transfer of securitized utility tariff property and any security interest in securitized utility tariff property under this section in the same manner that the secretary of state maintains financing statements filed under the code to perfect a security interest in collateral owned by a transmitting utility. Except as otherwise provided in this section, all financing statements filed pursuant to this section shall be governed by the provisions regarding financing statements and the filing thereof under the uniform commercial code. A security interest in securitized utility tariff property may be perfected only by the filing of a financing statement in accordance with this section and no other method of perfection shall be effective. Notwithstanding any provision of the code to the contrary, a financing statement filed pursuant to this section is effective until a termination statement is filed under the code and no continuation statement need be filed to maintain its effectiveness. A financing statement filed pursuant to this section may indicate that the debtor is a transmitting utility, and without regard to whether the debtor is an electrical corporation, an assignee or otherwise qualifies as a transmitting utility under the code, but the failure to make such indication shall not impair the duration and effectiveness of the financing statement.

8. The law governing the validity, enforceability, attachment, perfection, priority, and exercise of remedies with respect to the transfer of an interest or right or the pledge or creation of a security interest in any securitized utility tariff property shall be the laws of this state.

9. Neither the state nor its political subdivisions are liable on any securitized utility tariff bonds, and the bonds are not a debt or a general obligation of the state or any of its political subdivisions, agencies, or instrumentalities, nor are they special obligations or indebtedness of the state or any agency or political subdivision. An issue of securitized utility tariff bonds does not, directly, indirectly, or contingently obligate the state or any agency, political subdivision, or instrumentality of the state to levy any tax or make any appropriation for payment of the securitized utility tariff bonds, other than in their capacity as consumers of electricity. All securitized utility tariff bonds shall contain on the face thereof a statement to the following effect: "Neither the full faith and credit nor the taxing power of the state of Missouri is pledged to the payment of the principal of, or interest on, this bond."

10. All of the following entities may legally invest any sinking funds, moneys, or other funds in securitized utility tariff bonds:

(1) Subject to applicable statutory restrictions on state or local investment authority, the state, units of local government, political subdivisions, public bodies, and public officers, except for members of the commission, the commission's technical advisory and other staff, or employees of the office of the public counsel;

(2) Banks and bankers, savings and loan associations, credit unions, trust companies, savings banks and institutions, investment companies, insurance companies, insurance associations, and other persons carrying on a banking or insurance business;

(3) Personal representatives, guardians, trustees, and other fiduciaries; and

(4) All other persons authorized to invest in bonds or other obligations of a similar nature.

11. (1) The state and its agencies, including the commission, pledge and agree with bondholders, the owners of the securitized utility tariff property, and other financing parties that the state and its agencies will not take any action listed in this subdivision. This subdivision does not preclude limitation or alteration if full compensation is made by law for the full protection of the securitized utility tariff charges collected pursuant to a financing order and of the bondholders and any assignee or financing party entering into a contract with the electrical corporation. The prohibited actions are as follows:

(a) Alter the provisions of this section, which authorize the commission to create an irrevocable contract right, or chose in action by the issuance of a financing order, to create securitized utility tariff property, and make the securitized utility tariff charges imposed by a financing order irrevocable, binding, or nonbypassable charges for all existing and future retail customers of the electrical corporation except its existing special contract customers;

(b) Take or permit any action that impairs or would impair the value of securitized utility tariff property or the security for the securitized utility tariff bonds or revises the securitized utility tariff costs for which recovery is authorized;

(c) In any way impair the rights and remedies of the bondholders, assignees, and other financing parties; and

(d) Except for changes made pursuant to the formula-based, true-up mechanism authorized under this section, reduce, alter, or impair securitized utility tariff charges that are to be imposed, billed, charged, collected, and remitted for the benefit of the bondholders, any assignee, and any other financing parties until any and all principal, interest, premium, financing costs and other fees, expenses, or charges incurred, and any contracts to be performed, in connection with the related securitized utility tariff bonds have been paid and performed in full.

(2) Any person or entity that issues securitized utility tariff bonds may include the language specified in this subsection in the energy transition bonds and related documentation.

12. An assignee or financing party is not an electrical corporation or person providing electric service by virtue of engaging in the transactions described in this section.

13. If there is a conflict between this section and any other law regarding the attachment, assignment, or perfection, or the effect of perfection, or priority of, assignment or transfer of, or security interest in securitized utility tariff property, this section shall govern.

14. If any provision of this section is held invalid or is invalidated, superseded, replaced, repealed, or expires for any reason, that occurrence does not affect the validity of any action allowed under this section which is taken by an electrical corporation, an assignee, a financing party, a collection agent, or a party to an ancillary agreement and any such action remains in full force and effect with respect to all securitized utility tariff bonds issued or authorized in a financing order issued under this section before the date that such provision is held invalid or is invalidated, superseded, replaced, or repealed or expires for any reason.

393.1705. 1. For purposes of this section, the term "replacement resources" shall mean:

(1) Renewable generation facilities which produce electric energy from wind, solar thermal sources, photovoltaic cells and panels, dedicated crops grown for energy production, cellulosic agricultural residues, plant residues, methane from landfills, from agricultural operations, or from wastewater treatment, thermal depolymerization or pyrolysis for converting waste material to energy, clean and untreated wood such as pallets, hydropower, not including pumped storage that does not require a new diversion or impoundment of water and that has a nameplate rating of ten megawatts or less, and fuel cells using hydrogen produced by one of the above-named replacement sources;

(2) Generation facilities which produce electric energy from natural gas that enable the electrical corporation to:

(a) Provide electric energy when renewable generation facilities and energy storage facilities are insufficient to meet the needs of the electrical corporation's system;

(b) Meet requirements of the electrical corporation's regional transmission organization; or

(c) Serve the objectives of both paragraphs (a) and (b) of this subdivision;

(3) Energy storage facilities that enable the electrical corporation to:

(a) Provide electric energy when renewable generation facilities are not generating electric energy in sufficient quantities to meet the needs of the electrical corporation's system;

(b) Meet requirements of the electrical corporation's regional transmission organization; or

(c) Serve the objectives of both paragraphs (a) and (b) of this subdivision; and

(4) Transmission facilities that enable the delivery of electric energy from renewable generation facilities or energy storage facilities including, but not limited to, interconnection, network upgrades, voltage and reactive power support, and transmission facilities needed to maintain reliability as a result of the retirement of generation facilities.

2. If requested by an electrical corporation in a petition filed concurrently with a petition filed under subsection 2 of section 393.1700 to recover securitized utility tariff costs and notwithstanding any other

provision of chapter 386 or 393 to the contrary, including section 393.170 which section shall not apply to the construction of replacement resources as defined in subsection 1 of this section:

(1) Unless the commission has, prior to August 28, 2021, issued an order or orders acknowledging retirement by an electrical corporation of specific electric generating facilities and an order or orders authorizing construction by such electrical corporation of generating facilities in place of such retired electric generating facilities, the commission shall approve investment in replacement resources by the electrical corporation of an amount that is approximately equal to the undepreciated investment in the electric generating facilities covered by such petition to acquire or build an existing or new renewable energy resource to replace the retired or abandoned or to be retired or abandoned unit. There is no requirement that the replacement resource's capacity or energy production match the energy or capacity production of the retired or abandoned unit. Such approval shall constitute an affirmative and binding determination by the commission, to be applied in all subsequent proceedings respecting the rates of the electrical corporation, that such investment is prudent and reasonable, that the replacement resource is necessary for the electrical corporation's provision of electric service to its customers, and that such investment shall be reflected in the revenue requirement used to set the electrical corporation's base rates, subject only to the commission's authority to determine that the electrical corporation did not manage or execute the project in a reasonable and prudent manner in some respect and its authority to disallow for ratemaking purposes only that portion of the investment that would not have been incurred had the unreasonable or imprudent management or execution of the project not occurred; and

(2) The commission shall create a deferral mechanism by which the electrical corporation shall defer, to a regulatory asset or regulatory liability as appropriate, the changes in the electrical corporation's revenue requirement used to last set its base rates as specified in this subdivision. Such changes shall be deferred during the period starting on the date of retirement or abandonment of the subject unit and ending when the electrical corporation is the subject of the petition and base rates are changed as the result of a general rate proceeding where the rate base cutoff date in that general rate proceeding occurs on or after the retirement or abandonment. For purposes of this subdivision, the changes in the electrical corporation's revenue requirement that shall be deferred shall only consist of:

- (a) Changes in depreciation expense associated with the retired or abandoned unit;
  - (b) Changes in labor and benefit costs for employees or contractors no longer employed or retained by the electrical corporation who formerly worked at the retired or abandoned unit, net of severance and relocation costs of the electrical corporation paid to such employees or contractors;
  - (c) Changes in nonlabor, nonfuel operations, and maintenance costs caused by the retirement of the unit;
  - (d) Depreciation expense on the replacement resources starting with the date it is recorded to plant in-service on the electrical corporation's books;
  - (e) Labor and benefits costs for employees or contractors who work at the replacement resources;
- and
- (f) Nonlabor, nonfuel operations, and maintenance costs of the replacement resources.

The base against which changes under paragraphs (a), (b), and (c) of this subdivision shall be the values of each such item used to set the electrical corporation's base electric rates in its last general rate proceeding concluded prior to the time the deferrals are made, provided, if the docketed record in such general rate proceeding does not specify one or more necessary revenue requirement parameters to establish the base for an item because of a "black box" settlement or otherwise, the commission shall, in the docket created by a petition filed under this section and based on the docketed record in such prior general rate proceeding, establish the missing parameters, which shall then be used to accomplish the deferrals. The base with respect to paragraphs (d), (e), and (f) of this subdivision shall be zero.

(3) The commission shall also create a deferral mechanism by which the electrical corporation shall defer to a regulatory asset the changes in the electrical corporation's revenue requirement last used to set its base rates as specified in this subdivision. Such changes shall be deferred during the period beginning on the date deferrals cease under subdivision (2) of this subsection and ending when the electrical corporation's base rates are next changed as a result of a general rate proceeding. For purposes of this subdivision, such changes in the electrical corporation's revenue requirement that shall be deferred shall only consist of:

- (a) Return on the electrical corporation's undepreciated investment in the unit that was retired or abandoned at the electrical corporation's weighted average cost of capital, plus applicable federal, state, and local income or excise taxes, used to establish the electrical corporation's revenue requirement last used to set its base rates;
- (b) Depreciation expense on the replacement resources starting with the date the replacement resource is recorded to plant in-service on the electrical corporation's books;
- (c) Increase in-labor and benefits costs for employees or contractors who work at the replacement resources; and
- (d) Increase in nonlabor, nonfuel operations, and maintenance costs of the replacement resources.

Notwithstanding the foregoing provisions of this subdivision, deferrals to the regulatory asset created by this subdivision shall cease at the earlier of the date the electrical corporation's base rates are first changed after the replacement resource is recorded to plant in service on the electrical corporation's books where the rate base cutoff date in that general rate proceeding occurred on or after the retirement or abandonment, or the effective date of rates from a base rate case that shall be filed no later than one year after the unit was retired or abandoned. If there is more than one replacement resource for the retired or abandoned plant and if one or more such replacement resource is placed in service prior to the rate base cutoff date in the general rate proceeding described in subdivision (2) of this subsection, the deferrals called for under this subdivision shall be reduced as needed to reflect that event. The weighted average cost of capital to be deferred under paragraph (a) of this subdivision shall be the value used to set the electrical corporation's base electric rates in its last general rate proceeding concluded prior to the time the deferrals are made, provided, if the docketed record in such general rate proceeding does not specify one or more necessary revenue requirement parameters to establish the base for an item because of a "black box" settlement or otherwise, the commission shall, in the docket created by a petition filed under this section and based on the docketed record in such prior general rate proceeding, establish the missing parameters, which shall then be used to accomplish the deferrals. The base with respect to paragraphs (b), (c), and (d) of this subdivision shall be zero.

(4) It is the intention of this subsection to the maximum extent practicable that electrical corporation earnings shall not be materially reduced or increased on account of the retirement or abandonment of the unit during the interval between when the unit is retired or abandoned and the date when the electrical corporation's base rates are changed to reflect the investment in a replacement resource, subject to the requirement that deferrals under subdivision (3) of this subsection end no later than the date base rates are reset in a general rate proceeding filed no later than one year after the unit was retired or abandoned.

(5) Notwithstanding the provisions of section 393.1400 to the contrary, a replacement resource shall not constitute "qualifying electric plant" for purposes of section 393.1400, nor shall it constitute a renewable energy resource under section 393.1030, during the period when a deferral is occurring under subdivision (2) or (3) of this subsection. In addition, and notwithstanding the provisions of section 393.1400 to the contrary, deferrals required by this section relating to the electrical corporation's undepreciated investment in the retired or abandoned unit shall not constitute a change in accumulated depreciation when determining the return deferred on qualifying electric plant under section 393.1400.

(6) Parts of regulatory asset or liability balances created under this section that are not yet being recovered or returned through rates shall include carrying costs at the electrical corporation's weighted average cost of capital last used to set its base electric service rates or, if such cost of capital was not specified for the revenue requirement last used to set such electric service rates at the weighted average cost of capital determined by the commission under subdivision (3) of this subsection, in each case plus applicable federal, state, and local income or excise taxes. All regulatory asset or liability balances from deferrals under this subsection shall be recovered in base rates over a period equal to the remaining useful life of the replacement resource.

(7) In each general rate proceeding concluded after a deferral commences under subdivision (2) or (3) of this subsection, the regulatory asset or liability balances arising from such deferrals, as of the rate base cutoff date, shall be included in the electrical corporation's rate base without any offset, reduction, or adjustment based upon consideration of any other factor, other than to reflect any prudence disallowances ordered by the commission, with the regulatory asset balances arising from such deferrals that occur after the rate base cutoff date to be included in rate base in the next general rate proceeding. The provisions of this section shall not be construed to affect existing law respecting burdens of production and persuasion in general rate proceedings.

3. Proceedings on a petition submitted pursuant to this section begin with the filing of a petition by an electrical corporation under this section that is filed concurrently with a petition submitted under section 393.1700, and shall be disposed of in accordance with the requirements of chapters 386 and 393 and the rules of the commission, except as follows:

(1) Within fourteen days after the date the petition is filed, the commission shall establish a procedural schedule that permits a commission decision no later than one hundred eighty-five days after the date the petition is filed. Such procedural schedule shall contain the same milestones and requirements as the procedural schedule adopted in a proceeding seeking approval of a financing order under section 393.1700 and shall run concurrently therewith;

(2) No later than one hundred eighty-five days after the date the petition is filed, the commission shall issue an order approving the petition or rejecting the petition. Any adversely affected party may seek judicial review in accordance with sections 386.500 and 386.510.

393.1710. 1. This section shall apply to each purchased power agreement with a term commencing on or after August 28, 2021, that the electrical corporation entered into for the purchase of energy from renewable generation facilities as listed in subdivision (1) of subsection 1 of section 393.1705 or from energy storage facilities as listed in subdivision (3) of subsection 1 of section 393.1705. If the term of one or more purchased power agreements have commenced prior to the rate base cutoff date in one of the electrical corporation's general rate cases, the commission shall, without limiting recoveries outside the context of a general rate case as contemplated by rate adjustment mechanisms approved under the provisions of subsection 1 of section 386.266:

(1) Include in the revenue requirement used to set base rates in that general rate case an amount equal to the electrical corporation's prudently incurred costs to purchase energy, capacity, and renewable energy credits under each such agreement; and

(2) Include in the revenue requirement used to set base rates in that general rate case an additional amount equal to the common equity earnings the electrical corporation would have received had it, in lieu of entering into each such purchased power agreement, instead invested in and placed in service, on the date the term of each such purchased power agreement commenced, a renewable energy resource of the type being operated to supply energy under each such purchased power agreement with a capacity sufficient to provide the quantity of energy being purchased under each such purchased power agreement. In determining the additional amount required by this subdivision, the commission shall utilize the common equity return on rate base and the common equity percentage used to determine the revenue requirement in that general rate case, provided, if the docketed record in such general rate proceeding does not specify one or more necessary revenue requirement parameters to establish the common equity return on rate base and the common equity percentage used in that general rate case because of a "black box" settlement or otherwise, the commission shall, in the docket created by a petition filed under this section and based on the docketed record in such prior general rate proceeding, establish the missing parameters, which shall then be used to quantify the common equity earnings, and shall also include in such revenue requirement applicable federal, state, and local income and excise taxes associated with such additional amount.

2. Subdivisions (1) and (2) of subsection 1 of this section shall continue to be included in the revenue requirement used to set rates in each subsequent electrical corporation general rate case where the term of the purchased power agreement remains ongoing as of the rate base cutoff date in that proceeding. The amount included in the revenue requirement in subsequent regular rate cases for subdivision (1) of subsection 1 of this section shall be based upon costs as of the rate base cutoff date in that case. Except as specifically provided for in this subdivision, the amount included in the revenue requirement in subsequent general rate cases for subdivision (2) of subsection 1 of this section shall be calculated in the same manner as calculated for subdivision (2) of subsection 1 of this section in the first general rate case where such amount was determined and shall not be recalculated in subsequent general rate cases, except that the calculation in each subsequent general rate case shall utilize the common equity return on rate base and the common equity percentage used to determine the revenue requirement in that subsequent case; provided, if the docketed record in such subsequent general rate proceeding does not specify one or more necessary revenue requirement parameters to establish the common equity return on rate base and the common equity percentage used in that general rate case because of a "black box" settlement or otherwise, the commission shall, in the docket created by a subsequent general rate case and based on the docketed record in such prior general rate proceeding, establish the missing parameters, which shall then be used to quantify the common

equity earnings, and shall account for accumulated depreciation that would have been accrued had the electric utility invested in and placed a renewable energy resource in service instead of entering into a purchased power agreement.

3. The phrase "rate base cutoff date" shall have the same meaning as given in subdivision (4) of subsection 1 of section 393.1400 as such term existed on August 28, 2021.

393.1715. 1. An electrical corporation may petition the commission for a determination of the ratemaking principles and treatment, as proposed by the electrical corporation, that will apply to the reflection in base rates of the electrical corporation's capital and noncapital costs associated with one or more of the electrical corporation's facilities. Without limiting the foregoing, such principles and treatment may also establish the retirement date and useful life parameters used to set depreciation rates for such facilities. Except as provided for in subsection 2 of this section, the ratemaking principles and treatment approved by the commission under this section for such facilities shall apply to the determination of the revenue requirement in each of the electrical corporation's post-determination general rate proceedings until such time as such facility is fully depreciated on the electrical corporation's books.

2. If the commission fails to issue a determination within one hundred thirty-five days that a petition for determination of ratemaking principles and treatment is filed, the ratemaking principles and treatment proposed by the petitioning electrical corporation shall be deemed to have been approved by the commission.

3. Subject to the provisions of subsection 4 of this section, ratemaking principles and treatment approved by the commission, or deemed to have been approved under subsection 2 of this section, shall be binding for ratemaking purposes.

4. (1) An electrical corporation with ratemaking principles and treatment approved by the commission, or deemed to have been approved under subsection 2 of this section, shall monitor the major factors and circumstances relating to the facility to which such principles and treatment apply. Such factors and circumstances include, but are not limited to:

(a) Terrorist activity or an act of God;  
(b) A significant change in federal or state tax laws;  
(c) A significant change in federal utility laws or regulations or a significant change in generally accepted accounting principles;  
(d) An unexpected, extended outage or shutdown of a major generating unit, other than any major generating unit shut down due to an extended outage at the time of the approval of the ratemaking principles and treatment;

(e) A significant change in the cost or reliability of power generation technologies;  
(f) A significant change in fuel prices and wholesale electric market conditions;  
(g) A significant change in the cost or effectiveness of emission control technologies;  
(h) A significant change in the price of emission allowances;  
(i) A significant change in the electrical corporation's load forecast;  
(j) A significant change in capital market conditions;  
(k) A significant change in the scope or effective dates of environmental regulations; or  
(l) A significant change in federal or state environmental laws.

(2) If the electrical corporation determines that one or more major factor or circumstance has changed in a manner that warrants a change in the approved ratemaking principles and treatment, then it shall file a notice in the docket in which the approved ratemaking principles and treatment were established within forty-five days of any such determination. In its notification, the electrical corporation shall:

(a) Explain and specify the changes it contends are appropriate to the ratemaking principles and treatment and the reasons for the proposed changes;  
(b) Provide a description of the alternatives that it evaluated and the process that it went through in developing its proposed changes; and  
(c) Provide detailed workpapers that support the evaluation and the process whereby proposed changes were developed.

(3) If a party has concerns regarding the proposed changes, that party shall file a notice of its concerns within thirty days of the electrical corporation's filing. If the parties do not reach agreement on changes to the ratemaking principles and treatment within ninety days of the date the electrical corporation filed its notice, whether the previously approved ratemaking and treatment will be changed shall be determined by the commission. If a party to the docket in which the approved ratemaking principles and

treatment were approved believes that one or more major factor or circumstance has changed in a manner that warrants a change in the approved ratemaking principles and treatment and if the electrical corporation does not agree the principles and treatment should be changed, such party shall file a notice in the docket in which the approved ratemaking principles and treatment were established within forty-five days of any such determination. In its notification, such party shall:

(a) Explain and specify the changes it contends are appropriate to the ratemaking principles and treatment and the reasons for the proposed changes;

(b) Provide a description of the alternatives that it evaluated and the process that it went through in developing its proposed changes; and

(c) Provide detailed workpapers that support the evaluation and the process whereby proposed changes were developed.

(4) If a party, including the electrical corporation, has concerns regarding the proposed changes, that party shall file a notice of its concerns within thirty days of the other party's filing. If the parties do not reach agreement on changes to the ratemaking principles and treatment within ninety days of the date the notice was filed, whether the previously approved ratemaking and treatment will be changed shall be determined by the commission.

5. A determination of ratemaking principles and treatment under this section does not preclude an electrical corporation from also petitioning the commission under either or both of sections 393.1700 and 393.1705, provided that any costs to which such ratemaking principles and treatment would have applied in the electrical corporation's general rate proceedings which become funded by securitized utility tariff bond proceeds from a securitized utility tariff bond issued under section 393.1700 shall not thereafter be reflected in the electrical corporation's base rates.

6. The commission may promulgate rules to implement the provisions of sections 393.1700 to 393.1715. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

400.9-109. (a) Except as otherwise provided in subsections (c) and (d), this article applies to:

(1) A transaction, regardless of its form, that creates a security interest in personal property or fixtures by contract;

(2) An agricultural lien;

(3) A sale of accounts, chattel paper, payment intangibles, or promissory notes;

(4) A consignment;

(5) A security interest arising under section 400.2-401, 400.2-505, 400.2-711(3) or 400.2A-508(5), as provided in section 400.9-110; and

(6) A security interest arising under section 400.4-210 or 400.5-118.

(b) The application of this article to a security interest in a secured obligation is not affected by the fact that the obligation is itself secured by a transaction or interest to which this article does not apply.

(c) This article does not apply to the extent that:

(1) A statute, regulation, or treaty of the United States preempts this article;

(2) Another statute of this state expressly governs the creation, perfection, priority, or enforcement of a security interest created by this state or a governmental unit of this state;

(3) A statute of another state, a foreign country, or a governmental unit of another state or a foreign country, other than a statute generally applicable to security interests, expressly governs creation, perfection, priority, or enforcement of a security interest created by the state, country, or governmental unit; or

(4) The rights of a transferee beneficiary or nominated person under a letter of credit are independent and superior under section 400.5-114.

(d) This article does not apply to:

(1) A landlord's lien, other than an agricultural lien;

(2) A lien, other than an agricultural lien, given by statute or other rule of law for services or materials, but section 400.9-333 applies with respect to priority of the lien;

(3) An assignment of a claim for wages, salary, or other compensation of an employee;

- (4) A sale of accounts, chattel paper, payment intangibles, or promissory notes as part of a sale of the business out of which they arose;
- (5) An assignment of accounts, chattel paper, payment intangibles, or promissory notes which is for the purpose of collection only;
- (6) An assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract;
- (7) An assignment of a single account, payment intangible, or promissory note to an assignee in full or partial satisfaction of a preexisting indebtedness;
- (8) A transfer of an interest in or an assignment of a claim under a policy of insurance, other than an assignment by or to a health-care provider of a health-care-insurance receivable and any subsequent assignment of the right to payment, but sections 400.9-315 and 400.9-322 apply with respect to proceeds and priorities in proceeds;
- (9) An assignment of a right represented by a judgment, other than a judgment taken on a right to payment that was collateral;
- (10) A right of recoupment or set-off, but:
  - (A) Section 400.9-340 applies with respect to the effectiveness of rights of recoupment or set-off against deposit accounts; and
  - (B) Section 400.9-404 applies with respect to defenses or claims of an account debtor;
- (11) The creation or transfer of an interest in or lien on real property, including a lease or rents thereunder, except to the extent that provision is made for:
  - (A) Liens on real property in sections 400.9-203 and 400.9-308;
  - (B) Fixtures in section 400.9-334;
  - (C) Fixture filings in sections 400.9-501, 400.9-502, 400.9-512, 400.9-516 and 400.9-519; and
  - (D) Security agreements covering personal and real property in section 400.9-604;
- (12) An assignment of a claim arising in tort, other than a commercial tort claim, but sections 400.9-315 and 400.9-322 apply with respect to proceeds and priorities in proceeds; ~~or~~
- (13) An assignment of a deposit account in a consumer transaction, but sections 400.9-315 and 400.9-322 apply with respect to proceeds and priorities in proceeds; ~~or~~
- (14) An assignment of a claim or right to receive compensation for injuries or sickness as described in 26 U.S.C. Section 104(a)(1) or (2), as amended from time to time; ~~or~~
- (15) An assignment of a claim or right to receive benefits under a special needs trust as described in 42 U.S.C. Section 1396p(d)(4), as amended from time to time; ~~or~~
- (16) A transfer by a government or governmental subdivision or agency; **or**
- (17) **The creation, perfection, priority, or enforcement of any sale, assignment of, pledge of, security interest in, or other transfer of, any interest or right or portion of any interest or right in any energy transition property, as defined in section 393.1700.";** and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative O'Donnell, **House Amendment No. 4** was adopted.

Representative Black (137) offered **House Amendment No. 5**.

*House Amendment No. 5*

AMEND House Committee Substitute for House Bill No. 835, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

- "386.895. 1. As used in this section the following terms shall mean:**
- (1) "Biogas", a mixture of carbon dioxide and hydrocarbons, primarily methane gas, released from the biological decomposition of organic materials;**
  - (2) "Biomass", has the meaning given the term "qualified biomass" in section 142.028;**
  - (3) "Gas corporation", the same as defined in section 386.020;**

(4) "Qualified investment", any capital investment in renewable natural gas infrastructure incurred by a gas corporation for the purpose of providing natural gas service under a renewable natural gas program;

(5) "Renewable energy sources", hydroelectric, geothermal, solar photovoltaic, wind, tidal, wave, biomass, or biogas energy sources;

(6) "Renewable natural gas", any of the following products processed to meet pipeline quality standards or transportation fuel grade requirements:

(a) Biogas that is upgraded to meet natural gas pipeline quality standards such that it may blend with, or substitute for, geologic natural gas;

(b) Hydrogen gas; or

(c) Methane gas derived from any combination of:

a. Biogas;

b. Hydrogen gas or carbon oxides derived from renewable energy sources; or

c. Waste carbon dioxide;

(7) "Renewable natural gas infrastructure", all equipment and facilities for the production, processing, pipeline interconnection, and distribution of renewable natural gas to be furnished to Missouri customers.

2. The commission shall adopt rules for gas corporations to offer a voluntary renewable natural gas program. Rules adopted by the commission under this section shall include:

(1) Rules for reporting requirements; and

(2) Rules for establishing a process for gas corporations to fully recover incurred costs that are prudent, just, and reasonable associated with a renewable natural gas program. Such recovery shall not be permitted until the project is operational.

3. A filing by a gas corporation pursuant to the renewable natural gas program created in subsection 2 of this section shall include, but is not limited to:

(1) A proposal to procure a total volume of renewable natural gas over a specific period; and

(2) Identification of the qualified investments that the gas corporation may make in renewable natural gas infrastructure.

4. A gas corporation may from time to time revise the filing submitted to the commission under this section.

5. Any costs incurred by a gas corporation for qualified investment that are prudent, just and reasonable may be recovered by means of an automatic rate adjustment clause.

6. When a gas corporation makes a qualified investment in the production of renewable natural gas, the costs associated with such qualified investment shall include the cost of capital established by the commission in the gas corporation's most recent general rate case.

7. Rules adopted by the commission under this section shall not prohibit an affiliate of a gas corporation from making a capital investment in a biogas production project if the affiliate is not a public utility as defined in section 386.020.

8. The public service commission may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void."; and

Further amend said bill, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

"393.135. Except as provided in section 393.1250, any charge made or demanded by an electrical corporation for service, or in connection therewith, which is based on the costs of construction work in progress, as that term is defined in section 393.1250, upon any existing or new [facility of the] electrical corporation facility, or any other cost associated with owning, operating, maintaining, or financing any such property before it is fully operational and used for service[, is unjust and unreasonable, and] is prohibited.

**393.1250. 1. This section shall be known and may be cited as the "Missouri Nuclear Clean Power Act", the purpose of which is to enable the construction of clean baseload electric generating plants or facilities that utilize renewable sources to produce energy. This section shall not apply to clean baseload electric generating plants or renewable source generating facilities that are in commercial operation before August 28, 2021.**

**2. As used in this section, the following terms mean:**

**(1) "Clean baseload generating plant", a new nuclear-fueled electric generating facility located in this state that is designed to be operated at a capacity factor exceeding seventy percent annually and is intended in whole or in part to serve retail customers of an electrical corporation in Missouri;**

**(2) "Construction work in progress", the electrical corporation's share of all capital costs associated with a clean baseload generating plant or renewable source generating facility, which have been incurred but have not been included in the electrical corporation's plant in service, and are recorded in the Federal Energy Regulatory Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act, Balance Sheet Chart Accounts, as construction work in progress for electric plants in 18 CFR Part 101, or any other account established in the Uniform System of Accounts for the recording of construction work in progress;**

**(3) "Renewable source generating facility", any electric generating facility powered by wind, hydropower, solar power, landfill methane, biomass, or any other renewable source of power that does not produce significant carbon emissions.**

**3. The provisions of section 393.135 shall not apply to a clean baseload generating plant or a renewable source generating facility if the plant or facility is rated at two hundred megawatts or more. Costs recovered by an electrical corporation under the provisions of this section are subject to inclusion or exclusion from rates in a ratemaking proceeding pursuant to the commission's authority to determine just and reasonable rates. In addition, the commission may authorize an electrical corporation to make or demand charges for service based in whole or in part on additional amortizations to maintain the electrical corporation's financial ratios that will, in the commission's judgment, better enable the electrical corporation to cost-effectively construct a clean baseload generating plant or a renewable source generating facility.**

**4. The commission may promulgate rules to assist in the implementation of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void."; and**

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Black (137), **House Amendment No. 5** was adopted.

Representative Bromley offered **House Amendment No. 6**.

*House Amendment No. 6*

AMEND House Committee Substitute for House Bill No. 835, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

~~"393.137. 1. [This section applies to electrical corporations that do not have a general rate proceeding pending before the commission as of the later of February 1, 2018, or June 1, 2018.~~

~~2.] For purposes of this section, the following terms shall mean:~~

~~(1) "Commission", the public service commission;~~

~~(2) "Tax legislation", additions, deletions, or amendments to the Internal Revenue Code, Title 26 of the United States Code, to the Missouri income tax code, or regulations adopted under chapter 143;~~

(3) [~~"Electrical corporation", the same as]~~ **"Utility", an electrical corporation, gas corporation, water corporation, or sewer corporation, as defined in section 386.020[~~, but~~]. "Utility" shall not include an electrical corporation as described in subsection 2 of section 393.110.**

~~[3. If the rates of any electrical corporation to which this section applies have not already been adjusted to reflect the effects of the federal 2017 Tax Cut and Jobs Act, Pub. L. No. 115-97, 94 Stat. 2390, the commission shall have one time authority that shall be exercised within ninety days of June 1, 2018, to adjust such electrical corporation's rates prospectively so that the income tax component of the revenue requirement used to set such an electrical corporation's rates is based upon the provisions of such federal act without considering any other factor as otherwise required by section 393.270. The commission shall also require electrical corporations to which this section applies, as provided for under subsection 1 of this section, to defer to a regulatory asset the financial impact of such federal act on the electrical corporation for the period of January 1, 2018, through the date the electrical corporation's rates are adjusted on a one-time basis as provided for in the immediately preceding sentence. The amounts deferred under this subsection shall be included in the revenue requirement used to set the electrical corporation's rates in its subsequent general rate proceeding through an amortization over a period determined by the commission.]~~

**2. If the United States Congress or general assembly enacts tax legislation that, had it been effective when the utility's base rates were last set, would have resulted in a lower income tax component of the revenue requirement used to last set such base rates, the commission shall have the authority to, within one hundred eighty days of the enacted date of the subject tax legislation, enter an order adjusting such utility's base rates prospectively so that the income tax component of the revenue requirement used to set such utility's base rates is based upon the provisions of such tax legislation without considering any other factor as otherwise required by section 393.270. As part of its exercise of such authority, the commission shall also require the utility to defer to a regulatory liability an amount equal to the difference between what the income tax component of the revenue requirement last used to set its base rates was under the law at that time and what the income tax component of the revenue requirement would have been had such tax legislation been in effect at that time. The deferral period shall commence with the date such tax legislation would have resulted in a lower income tax component of such revenue requirement last used to set the utility's base rates and continue through the date the utility's base rates are next adjusted. The amounts deferred under this subsection shall be included in the revenue requirement used to set the utility's base rates in its subsequent general rate proceedings through amortization over a period of up to three years, as determined by the commission.**

~~[4.]~~ **3. Upon good cause shown by [the electrical corporation] a utility, the commission may, as an alternative to requiring a [one-time] rate change and deferral under subsection [3] 2 of this section, allow a deferral to a regulatory liability, in whole or in part, of [such federal act's financial impacts to a regulatory asset starting January 1, 2018,] the amounts that would have been reflected in a base rate reduction under subsection 2 of this section. The deferral period shall commence on the date such tax legislation would have resulted in a lower income tax component and continue through the effective date of new rates in such [electrical corporation's] utility's next general rate proceeding. The deferred amounts shall be included in the revenue requirement used to set the [electrical corporation's] utility's rates in its subsequent general rate proceeding through an amortization over a period determined by the commission.**

**4. If the United States Congress or general assembly enacts tax legislation that, had it been in effect when the utility's base rates were last set, would have resulted in a higher income tax component of the revenue requirement used to last set such base rates, the utility shall be entitled, by giving notice to the commission within one hundred eighty days of the enacted date of such tax legislation, to defer to a regulatory asset an amount equal to the difference between what the income tax component of the revenue requirement used to last set its base rates was under the law at that time and what the income tax component of the revenue requirement would have been had such tax legislation been in effect at that time. The deferral period shall commence on the date such tax legislation would have resulted in a higher income tax component of such revenue requirement last used to set the utility's base rates and continue through the date the utility's base rates are next adjusted as provided for in this subsection. The amounts deferred under this subsection shall be included in the revenue requirement used to set the utility's rates in its subsequent general rate proceedings through amortization over a period of up to three years, as determined by the commission, without considering any other factor as otherwise required by section 393.270.**

**5. If the tax legislation that either reduces or increases the utility's income tax component, under subsection 2 or 4 of this section, does so at a point in time other than beginning with its effective date, or does so in multiple stages at different points in time, the commission order in subsection 1 of this section and the utility's notice in subsection 4 of this section shall be deemed to apply to the first point in time when the income tax component would have been changed and to subsequent changes in such income tax component arising from such tax legislation without the necessity of the commission issuing a subsequent order or the utility providing a subsequent notice, as the case may be. Each such change shall require a separate base rate change, deferral, and amortization period, as applicable.**

**6. If the United States Congress or general assembly has, prior to the effective date of this section, enacted tax legislation that either reduces or increases the utility's income tax component the one-hundred-eighty-day period in subsection 2 and 4 of this section shall commence on the effective date of this section.**

**7. Notwithstanding any other provision of this section to the contrary, the commission's authority to adjust utility rates and require deferrals regarding reductions in the income tax component of a utility's revenue requirement under subsections 2 and 3 of this section, and utility authority to defer and recover increases in the income tax component under subsection 4 of this section, shall not exist unless the addition, deletion, or amendment to tax legislation results in a difference in the income tax component of the utility's revenue requirement, calculated in accordance with subsection 2 or 4 of this section, as applicable, that is greater than an amount in excess of two-tenths of one percent of such utility's operating revenues reported to the commission in such utility's annual report for the calendar year preceding the calendar year in which such difference is calculated.**

393.170. 1. No gas corporation, electrical corporation, water corporation or sewer corporation shall begin construction of a gas plant, electric plant, water system or sewer system, other than an energy generation unit that has a capacity of one megawatt or less, without first having obtained the permission and approval of the commission.

2. No such corporation shall exercise any right or privilege under any franchise hereafter granted, or under any franchise heretofore granted but not heretofore actually exercised, or the exercise of which shall have been suspended for more than one year, without first having obtained the permission and approval of the commission. Before such certificate shall be issued a certified copy of the charter of such corporation shall be filed in the office of the commission, together with a verified statement of the president and secretary of the corporation, showing that it has received the required consent of the proper municipal authorities.

**3. (1) Before the commission shall issue an approval under subsection 1 of this section for a merchant line, an entity shall provide the commission a resolution of support passed by the county commission of each county through which the merchant line will be built. Any entity that begins construction on a merchant line after August 28, 2021, shall provide the required resolutions to the commission prior to construction, regardless of whether the commission has previously issued its approval.**

**(2) For the purposes of this subsection, the following terms mean:**

**(a) "Entity", an electrical corporation that does not provide service to end-use customers or provide retail service in Missouri or does not collect its costs to provide service under a regional transmission organization tariff;**

**(b) "Merchant line", a high-voltage direct current electric transmission line that does not provide for the erection of electric substations at intervals of less than fifty miles, which substations are necessary to accommodate both the purchase and sale to persons located in this state of electricity generated or transmitted by such entity.**

4. The commission shall have the power to grant the permission and approval herein specified whenever it shall after due hearing determine that such construction or such exercise of the right, privilege or franchise is necessary or convenient for the public service. The commission may by its order impose such condition or conditions as it may deem reasonable and necessary. Unless exercised within a period of two years from the grant thereof, authority conferred by such certificate of convenience and necessity issued by the commission shall be null and void.

523.262. 1. Except as set forth in subsection 2 of this section, the power of eminent domain shall only be vested in governmental bodies or agencies whose governing body is elected or whose governing body is appointed by elected officials or in an urban redevelopment corporation operating pursuant to a redevelopment agreement with the municipality for a particular redevelopment area, which agreement was executed prior to or on December 31, 2006.

2. A private utility company, public utility, rural electric cooperative, municipally owned utility, pipeline, railroad or common carrier shall have the power of eminent domain as may be granted pursuant to the provisions of other sections of the revised statutes of Missouri. For the purposes of this section, the term "common carrier" shall not include motor carriers, contract carriers, or express companies. Where a condemnation by such an entity results in a displaced person, as defined in section 523.200, the provisions of subsections 3 and 6 to 10 of section 523.205 shall apply unless the condemning entity is subject to the relocation assistance provisions of the federal Uniform Relocation Assistance Act.

3. Any entity with the power of eminent domain and pursuing the acquisition of property for the purpose of constructing a power generation facility after December 31, 2006, after providing notice in a newspaper of general circulation in the county where the facility is to be constructed, shall conduct a public meeting disclosing the purpose of the proposed facility prior to making any offer to purchase property in pursuit thereof or, alternatively, shall provide the property owner with notification of the identity of the condemning authority and the proposed purpose for which the condemned property shall be used at the time of making the initial offer.

**4. (1) Notwithstanding the provisions of subsection 2 of this section, no entity shall have the power of eminent domain under the provisions of this section for the purpose of constructing above-ground merchant lines.**

**(2) For the purpose of this subsection, the following terms mean:**

**(a) "Entity", a utility company that does not provide service to end-use customers or provide retail service in Missouri, or does not collect its costs to provide service under a regional transmission organization tariff, regardless of whether it has received a certificate of convenience and necessity from the public service commission under section 393.170;**

**(b) "Merchant line", a high-voltage direct current electric transmission line that does not provide for the erection of electric substations at intervals of less than fifty miles, which substations are necessary to accommodate both the purchase and sale to persons located in this state of electricity generated or transmitted by such entity.**

**(3) This subsection shall apply to any property or easement acquisition started on or after August 28, 2021.**

**(4) This subsection shall not apply to any rural electric cooperative organized or operating under the provisions of chapter 394, or to any corporation organized on a nonprofit or a cooperative basis as described in subsection 1 of section 394.200, or to any electrical corporation operating under a cooperative business plan as described in subsection 2 of section 393.110."; and**

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Bromley, **House Amendment No. 6** was adopted.

Representative Andrews offered **House Amendment No. 7**.

*House Amendment No. 7*

AMEND House Committee Substitute for House Bill No. 835, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

**"137.123. 1. Beginning January 1, 2022, for purposes of assessing all real property, excluding land, or tangible personal property associated with a project that uses wind energy directly to generate electricity, forty percent of the original costs shall be used to determine the true value in money of such property. Such value shall begin the year immediately following the year of construction of the property. The original costs shall reflect either:**

**(1) The actual and documented original property cost to the taxpayer, as shall be provided by the taxpayer to the assessor; or**

**(2) In the absence of actual and documented original property cost to the taxpayer, the estimated cost of the property by the assessor, using an authoritative cost guide.**

**2. Nothing in this section shall be construed to prohibit a project from engaging in enhanced enterprise zone agreements under sections 135.950 to 135.973 or similar tax abatement agreements with state or local officials or to affect any existing enhanced enterprise zone agreements.**

153.030. 1. All bridges over streams dividing this state from any other state owned, used, leased or otherwise controlled by any person, corporation, railroad company or joint stock company, and all bridges across or over navigable streams within this state, where the charge is made for crossing the same, which are now constructed, which are in the course of construction, or which shall hereafter be constructed, and all property, real and tangible personal, owned, used, leased or otherwise controlled by telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies and express companies shall be subject to taxation for state, county, municipal and other local purposes to the same extent as the property of private persons.

2. And taxes levied thereon shall be levied and collected in the manner as is now or may hereafter be provided by law for the taxation of railroad property in this state, and county commissions, county boards of equalization and the state tax commission are hereby required to perform the same duties and are given the same powers, including punitive powers, in assessing, equalizing and adjusting the taxes on the property set forth in this section as the county commissions and boards of equalization and state tax commission have or may hereafter be empowered with, in assessing, equalizing, and adjusting the taxes on railroad property; and an authorized officer of any such bridge, telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies, or express company or the owner of any such toll bridge, is hereby required to render reports of the property of such bridge, telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies, or express companies in like manner as the authorized officer of the railroad company is now or may hereafter be required to render for the taxation of railroad property.

3. On or before the fifteenth day of April in the year 1946 and each year thereafter an authorized officer of each such company shall furnish the state tax commission and county clerks a report, duly subscribed and sworn to by such authorized officer, which is like in nature and purpose to the reports required of railroads under chapter 151 showing the full amount of all real and tangible personal property owned, used, leased or otherwise controlled by each such company on January first of the year in which the report is due.

4. If any telephone company assessed pursuant to chapter 153 has a microwave relay station or stations in a county in which it has no wire mileage but has wire mileage in another county, then, for purposes of apportioning the assessed value of the distributable property of such companies, the straight line distance between such microwave relay stations shall constitute miles of wire. In the event that any public utility company assessed pursuant to this chapter has no distributable property which physically traverses the counties in which it operates, then the assessed value of the distributable property of such company shall be apportioned to the physical location of the distributable property.

5. (1) Notwithstanding any provision of law to the contrary, beginning January 1, 2019, a telephone company shall make a one-time election within the tax year to be assessed:

- (a) Using the methodology for property tax purposes as provided under this section; or
- (b) Using the methodology for property tax purposes as provided under this section for property consisting of land and buildings and be assessed for all other property exclusively using the methodology utilized under section 137.122.

If a telephone company begins operations, including a merger of multiple telephone companies, after August 28, 2018, it shall make its one-time election to be assessed using the methodology for property tax purposes as described under paragraph (b) of subdivision (1) of this subsection within the year in which the telephone company begins its operations. A telephone company that fails to make a timely election shall be deemed to have elected to be assessed using the methodology for property tax purposes as provided under subsections 1 to 4 of this section.

(2) The provisions of this subsection shall not be construed to change the original assessment jurisdiction of the state tax commission.

(3) Nothing in subdivision (1) of this subsection shall be construed as applying to any other utility.

(4) (a) The provisions of this subdivision shall ensure that school districts may avoid any fiscal impact as a result of a telephone company being assessed under the provisions of paragraph (b) of subdivision (1) of this subsection. If a school district's current operating levy is below the greater of its most recent voter-approved tax rate or the most recent voter-approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073, it shall comply with section 137.073.

(b) Beginning January 1, 2019, any school district currently operating at a tax rate equal to the greater of the most recent voter-approved tax rate or the most recent voter-approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073 that receives less tax revenue from a specific telephone company under this subsection, on or before January thirty-first of the year following the tax year in which the school district received less revenue from a specific telephone company, may by resolution of the school board impose a fee, as determined under this subsection, in order to obtain such revenue. The resolution shall include all facts that support the imposition of the fee. If the school district receives voter approval to raise its tax rate, the district shall no longer impose the fee authorized in this paragraph.

(c) Any fee imposed under paragraph (b) of this subdivision shall be determined by taking the difference between the tax revenue the telephone company paid in the tax year in question and the tax revenue the telephone company would have paid in such year had it not made an election under subdivision (1) of this subsection, which shall be calculated by taking the telephone company valuations in the tax year in question, as determined by the state tax commission under paragraph (d) of this subdivision, and applying such valuations to the apportionment process in subsection 2 of section 151.150. The school district shall issue a billing, as provided in this subdivision, to any such telephone company. A telephone company shall have forty-five days after receipt of a billing to remit its payment of its portion of the fees to the school district. Notwithstanding any other provision of law, the issuance or receipt of such fee shall not be used:

- a. In determining the amount of state aid that a school district receives under section 163.031;
- b. In determining the amount that may be collected under a property tax levy by such district; or
- c. For any other purpose.

For the purposes of accounting, a telephone company that issues a payment to a school district under this subsection shall treat such payment as a tax.

(d) When establishing the valuation of a telephone company assessed under paragraph (b) of subdivision (1) of this subsection, the state tax commission shall also determine the difference between the assessed value of a telephone company if:

- a. Assessed under paragraph (b) of subdivision (1) of this subsection; and
- b. Assessed exclusively under subsections 1 to 4 of this section.

The state tax commission shall then apportion such amount to each county and provide such information to any school district making a request for such information.

(e) This subsection shall expire when no school district is eligible for a fee.

6. (1) If any public utility company assessed pursuant to this chapter has ownership of any real or personal property associated with a project which uses wind energy directly to generate electricity, such wind energy project property shall be valued and taxed by any local authorities having jurisdiction under the provisions of chapter 137 and other relevant provisions of the law.

(2) Notwithstanding any provision of law to the contrary, beginning January 1, 2020, for any public utility company assessed pursuant to this chapter which has a wind energy project, such wind energy project shall be assessed using the methodology for real and personal property as provided in this subsection:

(a) Any wind energy property of such company shall be assessed upon the county assessor's local tax rolls;

**and**

(b) ~~[Any property consisting of land and buildings related to the wind energy project shall be assessed under chapter 137; and~~

~~—(e)] All other [business] real property, excluding land, or personal property related to the wind energy project shall be assessed using the methodology provided under section [137.122] 137.123."; and~~

Further amend said bill, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

~~"[393.1073. 1. There is hereby established the "Task Force on Wind Energy", which shall be composed of the following members:~~

~~(1) Three members of the house of representatives, with two appointed by the speaker of the house of representatives and one appointed by the minority floor leader of the house of representatives;~~

- (2) ~~Three members of the senate, with two appointed by the president pro tempore of the senate and one appointed by the minority floor leader of the senate; and~~
- (3) ~~Two representatives from Missouri county governments with experience in wind energy valuations, with one being a currently elected county assessor to be appointed by the speaker of the house of representatives, and one being a currently elected county clerk to be appointed by the president pro tempore of the senate.~~
2. ~~The task force shall conduct public hearings and research, and shall compile a report for delivery to the general assembly by no later than December 31, 2019. Such report shall include information on the following:~~
- (1) ~~The economic benefits and drawbacks of wind turbines to local communities and the state;~~
- (2) ~~The fair, uniform, and standardized assessment and taxation of wind turbines and their connected equipment owned by a public utility company at the county level in all counties;~~
- (3) ~~Compliance with existing federal and state programs and regulations; and~~
- (4) ~~Potential legislation that will provide a uniform assessment and taxation methodology for wind turbines and their connected equipment owned by a public utility company that will be used in every county of Missouri.~~
3. ~~The task force shall meet within thirty days after its creation and shall organize by selecting a chairperson and vice chairperson, one of whom shall be a member of the senate and the other a member of the house of representatives. Thereafter, the task force may meet as often as necessary in order to accomplish the tasks assigned to it. A majority of the task force shall constitute a quorum, and a majority vote of such quorum shall be required for any action.~~
4. ~~The staff of house research and senate research shall provide necessary clerical, research, fiscal, and legal services to the task force, as the task force may request.~~
5. ~~The members of the task force shall serve without compensation, but any actual and necessary expenses incurred in the performance of the task force's official duties by the task force, its members, and any staff assigned to the task force shall be paid from the joint contingent fund.~~
6. ~~This section shall expire on December 31, 2019.]; and~~

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Andrews, **House Amendment No. 7** was adopted.

Representative Rone offered **House Amendment No. 8**.

*House Amendment No. 8*

AMEND House Committee Substitute for House Bill No. 835, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

- "393.355. 1. As used in this section, the following terms shall mean:
- (1) "Electrical corporation", the same meaning given to the term in section 386.020, but shall not include an electrical corporation as described in subsection 2 of section 393.110;
- (2) "Facility", a:
- (a) Facility whose primary industry is the ~~[smelting]~~ **processing of [aluminum and]** primary metals [~~Standard Industrial Classification Code 3334~~];
- (b) Facility whose primary industry is the production or fabrication of steel, North American Industrial Classification System 331110; or
- (c) Facility with a new or incremental increase in load equal to or in excess of a monthly demand of fifty megawatts.
2. Notwithstanding section 393.130 or any other provision of law to the contrary, the public service commission shall have the authority to approve a special rate, outside a general rate proceeding, that is not based on the electrical corporation's cost of service for a facility if:

(1) The commission determines, but for the authorization of the special rate the facility would not commence operations, the special rate is in the interest of the state of Missouri when considering the interests of the customers of the electrical corporation serving the facility, considering the incremental cost of serving the facility to receive the special rate, and the interests of the citizens of the state generally in promoting economic development, improving the tax base, providing employment opportunities in the state, and promoting such other benefits to the state as the commission may determine are created by approval of the special rate;

(2) After approval of the special rate, the commission allocates in each general rate proceeding of the electrical corporation serving the facility the reduced revenues from the special rate as compared to the revenues that would have been generated at the rate the facility would have paid without the special rate to the electrical corporation's other customers through a uniform percentage adjustment to all components of the base rates of all customer classes; and

(3) The commission approves a tracking mechanism meeting the requirements of subsection 3 of this section.

3. Any commission order approving a special rate authorized by this section to provide service to a facility in the manner specified under subsection 4 of this section shall establish, as part of the commission's approval of a special rate, a tracking mechanism to track changes in the net margin experienced by the electrical corporation serving the facility with the tracker to apply retroactively to the date the electrical corporation's base rates were last set in its last general rate proceeding concluded prior to June 14, 2017. The commission shall ensure that the changes in net margin experienced by the electrical corporation between the general rate proceedings as a result of serving the facility are calculated in such a manner that the electrical corporation's net income is neither increased nor decreased. The changes in net margin shall be deferred to a regulatory liability or regulatory asset, as applicable, with the balance of such regulatory asset or liability to be included in the revenue requirement of the electrical corporation in each of its general rate proceedings through an amortization of the balance over a reasonable period until fully returned to or collected from the electrical corporation's customers.

4. Notwithstanding the provisions of section 393.170, an electrical corporation is authorized to provide electric service to a facility at a special rate for the new or incremental load authorized by the commission:

(1) Under a rate schedule reflecting the special rate approved by the commission; or

(2) If the facility is located outside the electrical corporation's certificated service territory, the facility shall be treated as if it is in the electrical corporation's certified service territory, subject to a commission-approved rate schedule incorporating the special rate under the contract.

5. To receive a special rate, the electrical corporation serving the facility, or facility if the facility is located outside of the electrical corporation's certified service territory, shall file a written application with the commission specifying the requested special rate and any terms or conditions proposed by the facility respecting the requested special rate and provide information regarding how the requested special rate meets the criteria specified in subdivision (1) of subsection 2 of this section. A special rate provided for by this section shall be effective for no longer than ten years from the date such special rate is authorized. The commission may impose such conditions, including but not limited to any conditions in a memorandum of understanding between the facility and the electrical corporation, on the special rate as it deems appropriate so long as it otherwise complies with the provisions of this section.

6. Any entity which has been granted a special rate under this section may reapply to the commission for a special rate under this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Rone, **House Amendment No. 8** was adopted.

Representative Wallingford offered **House Amendment No. 9**.

*House Amendment No. 9*

AMEND House Committee Substitute for House Bill No. 835, Page 2, Section 393.106, Line 53, by inserting after all of said section and line the following:

"393.358. 1. For purposes of this section, the following terms shall mean:

- (1) "Commission", the Missouri public service commission established under section 386.040;
- (2) "Water corporation", a corporation with more than one thousand Missouri customers that otherwise meets the definition of "water corporation" in section 386.020.

2. Water corporations shall develop a qualification process open to all contractors seeking to provide construction and construction-related services for planned infrastructure projects on the water corporation's distribution system. The water corporation shall specify qualification requirements and goals for contractors seeking to perform such work, including but not limited to experience, performance criteria, safety record and policies, technical expertise, scheduling needs and available resources, supplier diversity and insurance requirements. Contractors that meet the qualification requirements shall be eligible to participate in a competitive bidding process for providing construction and construction-related services for planned infrastructure projects on the water corporation's distribution system, and the contractor making the lowest and best bid shall be awarded such contract. For contractors not qualifying through the competitive bid process, the water corporation, upon request from the contractor, shall provide information from the process in which the contractor can be informed as to how to be better positioned to qualify for such bid opportunities in the future. Nothing in this section shall be construed as requiring any water corporation to use third parties instead of its own employees to perform such work, to use the contractor qualification or competitive bidding process in the case of an emergency project, or to terminate any existing contract with a contractor prior to its expiration.

3. Within thirty days after August 28, 2018, and with the filing of a general rate proceeding initiated by the water corporation, the water corporation shall file a statement with the commission confirming it has established a qualification process meeting the requirements of this section and that such process is used for no less than ~~ten~~ **twenty** percent of the corporation's external expenditures for planned infrastructure projects on the water corporation's distribution system. The commission shall have the authority to verify the statements to ensure compliance with this section.

4. By December 31, 2020, the commission shall submit a report to the general assembly on the effects of this section, including water corporation compliance, the costs of performing planned infrastructure projects prior to the implementation of this section compared to after the implementation of this section, and any other information regarding the process established under this section that the commission deems necessary.

**393.1500. Sections 393.1500 to 393.1509 shall be known and may be cited as the "Missouri Water and Sewer Infrastructure Act".**

**393.1503. As used in sections 393.1500 to 393.1509, the following terms shall mean:**

**(1) "Appropriate pretax revenues", the revenues necessary to produce net operating income equal to:**

**(a) The water or sewer corporation's pretax weighted cost of capital multiplied by the net original cost of eligible infrastructure system projects, including recognition of accumulated deferred income taxes and accumulated depreciation associated with eligible infrastructure system projects which are included in the petition to establish or change a WSIRA, plus accumulated deferred income taxes and accumulated depreciation associated with any eligible infrastructure system projects in a currently effective WSIRA implemented pursuant to sections 393.1506 and 393.1509;**

**(b) The state, federal, and local income or excise taxes applicable to such revenues;**

**(c) The depreciation expense applicable to the eligible infrastructure system project less annual depreciation expense associated with any related facility retirements; and**

**(d) The property taxes applicable to the eligible infrastructure that will be due within twelve months of the filing of a request to implement a water and sewer infrastructure rate adjustment pursuant to sections 393.1506 and 393.1509 less any property taxes associated with any related facility retirements;**

**(2) "Commission", the Missouri public service commission;**

**(3) "Eligible infrastructure system projects", water or sewer utility plant projects that:**

**(a) Replace or extend the useful life of existing infrastructure;**

**(b) Are in service and used and useful;**

**(c) Do not include projects intended solely for customer growth; and**

**(d) The costs of which were not recovered in the water or sewer corporation's base rates in its most recent general rate case;**

**(4) "Sewer corporation", the same as defined in section 386.020;**

(5) "Water and sewer infrastructure rate adjustment" or "WSIRA", a separate line item rate on a customer's water or sewer bill designed to recover the appropriate pretax revenues associated with eligible infrastructure system projects implemented pursuant to sections 393.1500 to 393.1509;

(6) "Water corporation", the same as defined in section 386.020;

(7) "Water or sewer utility plant projects", shall consist of the following:

(a) Replacement of or cleaning and relining of existing water and sewer pipes, and associated valves, hydrants, meters, service lines, laterals, sewer taps, curbstops, and manholes;

(b) Replacement of lead mains, lead goosenecks and lead service lines, and associated valves and meters;

(c) Replacement of booster station and lift station pumps with equipment of similar capacity and operation, as well as related pipes, valves, and meters;

(d) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; and

(e) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps;

(f) Replacement of Supervisory Control and Data Acquisition System (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programable logic controllers;

(8) "WSIRA revenues", revenues produced through implementation of a WSIRA pursuant to sections 393.1500 to 393.1509, exclusive of revenues from all other rates and charges.

393.1506. 1. Notwithstanding any provisions of chapter 386 and this chapter to the contrary, a water or sewer corporation that provides water or sewer service to more than eight thousand customer connections may file a petition and proposed rate schedules with the commission to establish or change a WSIRA that will provide for the recovery of the appropriate pretax revenues associated with the eligible infrastructure system projects, less the appropriate pretax revenues associated with any retired utility plant that is being replaced by the eligible infrastructure system projects. The WSIRA shall not produce revenues in excess of fifteen percent of the water or sewer corporation's base revenue requirement approved by the commission in the water or sewer corporation's most recent general rate proceeding; provided, however, that neither WSIRA revenues attributable to replacement of customer-owned lead service lines, nor any reconciliation amounts described in subdivision (2) of subsection 5 of section 393.1509, shall count toward the program cap. The WSIRA and any future changes thereto shall be calculated and implemented in accordance with the provisions of sections 393.1503 to 393.1509. WSIRA revenues shall be subject to refund based upon a finding and order of the commission, to the extent provided in subsections 5 and 8 of section 393.1509.

2. The commission shall not approve a WSIRA for a water or sewer corporation that has not had a general rate proceeding decided or dismissed by issuance of a commission order within the past three years of the filing of a petition pursuant to this section, unless the water or sewer corporation has filed for or is the subject of a new general rate proceeding.

3. In no event shall a water or sewer corporation collect a WSIRA for a period exceeding three years unless the water or sewer corporation has filed for or is the subject of a pending general rate proceeding; provided that the WSIRA may be collected until the effective date of new rate schedules established as a result of the new general rate proceeding, or until the subject general rate proceeding is otherwise decided or dismissed by issuance of a commission order without new rates being established.

4. Except as provided in this subsection, in no event shall a water or sewer corporation collect a WSIRA if also collecting revenues from a commission-approved infrastructure system replacement surcharge as defined in sections 393.1000 to 393.1006. In no such event shall a customer be charged both an infrastructure system replacement surcharge under sections 393.1000 to 393.1006 and a WSIRA. In the event a water corporation is collecting ISRS revenues under sections 393.1000 to 393.1006, that was approved prior to the effective date of this section when the initial WSIRA is filed, the approved ISRS revenues shall be included in the new WSIRA filing.

**393.1509. 1. (1) At the time that a water or sewer corporation files a petition with the commission seeking to establish or change a WSIRA, it shall submit proposed WSIRA rate schedules and supporting documentation regarding the calculation of the proposed WSIRA with the petition and shall serve the office of the public counsel with a copy of its petition, its proposed WSIRA rate schedules, and its supporting documentation.**

**(2) Upon the filing of a petition and any associated WSIRA rate schedules, seeking to establish or change a WSIRA, the commission shall publish notice of the filing.**

**(3) Three months prior to a water or sewer corporation filing a petition to establish a WSIRA, it shall also file with the commission a five-year capital expenditure plan unless such a plan has already been submitted during the previous twelve months. Thereafter, the water or sewer corporation shall annually file with the commission a five-year capital expenditure plan by January thirty first of each year the company is collecting revenues through a WSIRA.**

**2. (1) When a petition, along with any associated proposed rate schedules, is filed pursuant to the provisions of sections 393.1503 to 393.1509, the commission shall conduct an examination of the proposed WSIRA.**

**(2) The staff of the commission may examine information of the water or sewer corporation to confirm that the underlying costs are in accordance with the provisions of sections 393.1503 to 393.1509, and to confirm proper calculation of the proposed WSIRA, and may submit a report regarding its examination to the commission not later than ninety days after the petition is filed. No other revenue requirement or ratemaking issues shall be examined in consideration of the petition or associated proposed WSIRA rate schedules filed pursuant to the provisions of sections 393.1503 to 393.1509.**

**(3) The commission may hold a hearing on the petition and any associated WSIRA rate schedule and shall issue an order to become effective not later than one hundred eighty days after the petition is filed.**

**(4) If the commission finds that a petition complies with the requirements of sections 393.1503 to 393.1509, the commission shall enter an order authorizing the water or sewer corporation to implement a WSIRA that is sufficient to recover appropriate pretax revenues, as determined by the commission pursuant to the provisions of sections 393.1503 to 393.1509.**

**3. A water or sewer corporation may effectuate a change in its WSIRA pursuant to this section no more often than two times in every twelve-month period.**

**4. In determining the appropriate pretax revenues, the commission shall consider only the following factors:**

**(1) The current state, federal, and local income or excise tax rates, including any income tax deductions;**

**(2) The water or sewer corporation's actual regulatory capital structure as determined during the most recent general rate proceeding of the water or sewer corporation;**

**(3) The actual cost rates for the water or sewer corporation's debt and preferred stock as determined during the most recent general rate proceeding of the water or sewer corporation;**

**(4) The water or sewer corporation's cost of common equity as determined during the most recent general rate proceeding of the water or sewer corporation;**

**(5) The current property tax rate or rates applicable to the eligible infrastructure system projects;**

**(6) The current depreciation rates applicable to the eligible infrastructure system projects;**

**(7) In the event information described in subdivisions (2), (3), and (4) of this subsection is unavailable and the commission is not provided with such information on an agreed-upon basis, the commission shall utilize the overall pretax weighted average cost of capital last authorized for the water or sewer in a general rate proceeding regarding an ISRS or WSIRA.**

**5. (1) A WSIRA shall be calculated based upon the amount of infrastructure system project costs that are eligible for recovery during the period in which the WSIRA will be in effect and upon the applicable customer class billing determinants utilized in designing the water or sewer corporation's customer rates in its most recent general rate proceeding and allocated in a manner consistent with the rate design methodology utilized to develop the water or sewer corporation's base rates resulting from its most recent general rate proceeding.**

**(2) At the end of each twelve-month calendar period that a WSIRA is in effect, the water or sewer corporation shall reconcile the differences between the revenues resulting from a WSIRA and the appropriate pretax revenues as found by the commission for that period and shall submit the reconciliation**

and a proposed WSIRA to the commission for approval to recover or credit the difference, as appropriate, through a WSIRA.

6. (1) A water or sewer corporation that has implemented a WSIRA pursuant to the provisions of sections 393.1503 to 393.1509 shall file revised WSIRA schedules to reset the WSIRA to zero when new base rates and charges become effective for the water or sewer corporation following a commission order establishing customer rates in a general rate proceeding that incorporates in the utility's base rates, subject to subsections 8 and 9 of this section, eligible costs previously reflected in a WSIRA.

(2) Upon the inclusion in a water or sewer corporation's base rates, subject to subsections 8 and 9 of this section, of eligible costs previously reflected in a WSIRA, the water or sewer corporation shall immediately thereafter reconcile any previously unreconciled WSIRA revenues as necessary to ensure that revenues resulting from the WSIRA match as closely as possible the appropriate pretax revenues as found by the commission for that period.

7. A water or sewer corporation's filing of a petition to establish or change a WSIRA pursuant to the provisions of sections 393.1503 to 393.1509 shall not be considered a request for a general increase in the water or sewer corporation's base rates and charges.

8. Commission approval of a petition, and any associated rate schedules, to establish or change a WSIRA pursuant to the provisions of sections 393.1503 to 393.1509 shall in no way be binding upon the commission in determining the ratemaking treatment to be applied to eligible infrastructure system projects during a subsequent general rate proceeding when the commission may undertake to review the prudence of such costs. In the event the commission disallows, during a subsequent general rate proceeding, recovery of costs associated with eligible infrastructure system projects previously included in a WSIRA, the water or sewer corporation shall offset its WSIRA in the future as necessary to recognize and account for any such overcollections.

9. Nothing contained in sections 393.1503 to 393.1509 shall be construed to impair in any way the authority of the commission to review the reasonableness of the rates or charges of a water or sewer corporation, including review of the prudence of eligible infrastructure system replacements made by a water or sewer corporation, pursuant to the provisions of section 386.390.

10. The commission may take into account any change in business risk to the water or sewer corporation resulting from implementation of the WSIRA in setting the corporation's allowed return in a general rate proceeding in addition to any other changes in business risk experienced by the corporation.

11. The commission shall have authority to promulgate rules for the implementation of sections 393.1503 to 393.1509, but only to the extent such rules are consistent with, and do not delay the implementation of, the provisions of sections 393.1503 to 393.1509. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

12. The provisions of sections 393.1500 to 393.1509 shall expire on December 31, 2031."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Hovis offered **House Amendment No. 1 to House Amendment No. 9.**

*House Amendment No. 1  
to  
House Amendment No. 9*

AMEND House Amendment No. 9 to House Committee Substitute for House Bill No. 835, Page 1, Line 1, by inserting after the number "835," the following:

"Page 1, Section A, Line 2, by inserting the following after all of said section and line:

"204.300. 1. In all counties except counties of the first classification which have a charter form of government and which contain all or any portion of a city with a population of three hundred fifty thousand or more inhabitants, the governing body of the county, by resolution, order, or ordinance, shall appoint five trustees, the majority of whom shall reside within the boundaries of the district. In the event the district extends into any county bordering the county in which the greater portion of the district lies, the presiding commissioner or other chief executive officer of the adjoining county shall be an additional member of the appointed board of trustees. **Subject to the provisions of sections 105.450 to 105.498**, the trustees may be paid reasonable compensation by the district for their services **outside their duties as trustee** ~~]; except that, any compensation schedule shall be approved by resolution of the board of trustees].~~ **Each trustee of the board may receive an attendance fee not to exceed one hundred dollars for attending each regularly called board meeting, or special meeting, but shall not be paid for attending more than two meetings in any calendar month, except that in a county of the first classification, a trustee shall not be paid for attending more than four meetings in any calendar month. However, no trustee shall be paid more than one attendance fee if such trustee attends more than one board meeting in a calendar week. Each trustee of the board shall be reimbursed for his or her actual expenditures in the performance of his or her duties on behalf of the district.** The board of trustees shall be responsible for the control and operation of the sewer district. The term of each board member shall be five years; except that, members of the governing body of the county sitting upon the board shall not serve beyond the expiration of their term as members of such governing body of the county. The first board of trustees shall be appointed for terms ranging from one to five years so as to establish one vacancy per year thereafter. If the governing body of the county with the right of appointment under this section fails to appoint a trustee to fill a vacancy on the board within sixty days after receiving written notice from the common sewer district of the existence of such vacancy, then the vacancy may be filled by a majority of the remaining members then in office of the board of trustees of such common sewer district. **Subject to the provisions of sections 105.450 to 105.498**, the trustees may be paid reasonable compensation by the district for their services **outside their duties as trustee.** ~~]; except that, any compensation schedule shall be approved by resolution, order, or ordinance of the governing body of the county. Any and all expenses incurred in the performance of their duties shall be reimbursed by the district.]~~ **Each trustee of the board may receive an attendance fee not to exceed one hundred dollars for attending each regularly called board meeting, or special meeting, but shall not be paid for attending more than two meetings in any calendar month, except that in a county of the first classification, a trustee shall not be paid for attending more than four meetings in any calendar month. However, no trustee shall be paid more than one attendance fee if such trustee attends more than one board meeting in a calendar week. Each trustee of the board shall be reimbursed for his or her actual expenditures in the performance of his or her duties on behalf of the district.** The board of trustees shall have the power to employ and fix the compensation of such staff as may be necessary to discharge the business and purposes of the district, including clerks, attorneys, administrative assistants, and any other necessary personnel. The board of trustees shall select a treasurer, who may be either a member of the board of trustees or another qualified individual. The treasurer selected by the board shall give such bond as may be required by the board of trustees. The board of trustees shall appoint the sewer engineer for the county in which the greater part of the district lies as chief engineer for the district, and the sewer engineer shall have the same powers, responsibilities and duties in regard to planning, construction and maintenance of the sewers, and treatment facilities of the district as he now has by virtue of law in regard to the sewer facilities within the county for which he is elected. If there is no sewer engineer in the county in which the greater part of the district lies, the board of trustees may employ a registered professional engineer as chief engineer for the district under such terms and conditions as may be necessary to discharge the business and purposes of the district. The provisions of this subsection shall not apply to any county of the first classification which has a charter form of government and which contains all or any portion of a city with a population of three hundred fifty thousand or more inhabitants.

2. In any county of the first classification which has a charter form of government and which contains all or any portion of a city with a population of three hundred fifty thousand or more inhabitants, and in any county of the first classification without a charter form of government and which has a population of more than sixty-three thousand seven hundred but less than seventy-five thousand, there shall be a ten-member board of trustees to consist of the county executive, the mayors of the five cities constituting the largest users by flow during the previous fiscal year, the mayors of three cities which are not among the five largest users and who are members of the advisory board of the district established pursuant to section 204.310, and one member of the county legislature to be appointed by the county executive, with the concurrence of the county legislature. If the county executive does not appoint such members of the county legislature to the board of trustees within sixty days, the county legislature shall make the appointments. The advisory board members shall be appointed annually by the advisory board. In the

event the district extends into any county bordering the county in which the greater portion of the district lies, the number of members on the board of trustees shall be increased to a total of eleven and the presiding commissioner or county executive of the adjoining county shall be an additional member of the board of trustees. ~~[The trustees shall receive no compensation for their services, but may be compensated for their reasonable expenses normally incurred in the performance of their duties.]~~ **Each trustee of the board may receive an attendance fee not to exceed one hundred dollars for attending each regularly called board meeting, or special meeting, but shall not be paid for attending more than two meetings in any calendar month, except that in a county of the first classification, a trustee shall not be paid for attending more than four meetings in any calendar month. However, no trustee shall be paid more than one attendance fee if such trustee attends more than one board meeting in a calendar week. Each trustee of the board shall be reimbursed for his or her actual expenditures in the performance of his or her duties on behalf of the district. Subject to the provisions of sections 105.454 to 105.498, the trustees may be paid reasonable compensation by the district for their services outside their duties as trustees.** The board of trustees may employ and fix the compensation of such staff as may be necessary to discharge the business and purposes of the district, including clerks, attorneys, administrative assistants, and any other necessary personnel. The board of trustees may employ and fix the duties and compensation of an administrator for the district. The administrator shall be the chief executive officer of the district subject to the supervision and direction of the board of trustees and shall exercise the powers, responsibilities and duties heretofore exercised by the chief engineer prior to September 28, 1983. The administrator of the district may, with the approval of the board of trustees, retain consulting engineers for the district under such terms and conditions as may be necessary to discharge the business and purposes of the district. The provisions of this subsection shall only apply to counties of the first classification which have a charter form of government and which contain all or any portion of a city with a population of three hundred fifty thousand or more inhabitants.

204.610. 1. There shall be five trustees, appointed or elected as provided for in the circuit court decree or amended decree of incorporation for a reorganized common sewer district, who shall reside within the boundaries of the district. Each trustee shall be a voter of the district and shall have resided in said district for twelve months immediately prior to the trustee's election or appointment. A trustee shall be at least twenty-five years of age and shall not be delinquent in the payment of taxes at the time of the trustee's election or appointment. Regardless of whether or not the trustees are elected or appointed, in the event the district extends into any county bordering the county in which the greater portion of the district lies, the presiding commissioner or other chief executive officer of the adjoining county shall be an additional member of the board of trustees, or the governing body of such bordering county may appoint a citizen from such county to serve as an additional member of the board of trustees. Said additional trustee shall meet the qualifications set forth in this section for a trustee.

2. ~~[The trustees shall receive no compensation for their services but may be compensated for reasonable expenses normally incurred in the performance of their duties.]~~ **Each trustee of the board may receive an attendance fee not to exceed one hundred dollars for attending each regularly called board meeting, or special meeting, but shall not be paid for attending more than two meetings in any calendar month. However, no trustee shall be paid more than one attendance fee if such trustee attends more than one board meeting in a calendar week. Each trustee of the board shall be reimbursed for his or her actual expenditures in the performance of his or her duties on behalf of the district. Subject to the provisions of sections 105.454 to 105.498, the trustees may be paid reasonable compensation by the district for their services outside their duties as trustees.** The board of trustees may employ and fix the compensation of such staff as may be necessary to discharge the business and purposes of the district, including clerks, attorneys, administrative assistants, and any other necessary personnel. The board of trustees may employ and fix the duties and compensation of an administrator for the district. The administrator shall be the chief executive officer of the district subject to the supervision and direction of the board of trustees. The administrator of the district may, with the approval of the board of trustees, retain consulting engineers for the district under such terms and conditions as may be necessary to discharge the business and purposes of the district.

3. Except as provided in subsection 1 of this section, the term of office of a trustee shall be five years. The remaining trustees shall appoint a person qualified under this section to fill any vacancy on the board. The initial trustees appointed by the circuit court shall serve until the first Tuesday after the first Monday in June or until the first Tuesday after the first Monday in April, depending upon the resolution of the trustees. In the event that the trustees are elected, said elections shall be conducted by the appropriate election authority under chapter 115. Otherwise, trustees shall be appointed by the county commission in accordance with the qualifications set forth in subsection 1 of this section.

4. Notwithstanding any other provision of law, if there is only one candidate for the post of trustee, then no election shall be held, and the candidate shall assume the responsibilities of office at the same time and in the same manner as if elected. If there is no candidate for the post of trustee, then no election shall be held for that post and it shall be considered vacant, to be filled under the provisions of subsection 3 of this section."; and

Further amend said bill,"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Hudson assumed the Chair.

On motion of Representative Hovis, **House Amendment No. 1 to House Amendment No. 9** was adopted.

On motion of Representative Wallingford, **House Amendment No. 9, as amended**, was adopted.

Representative McCreery offered **House Amendment No. 10**.

*House Amendment No. 10*

AMEND House Committee Substitute for House Bill No. 835, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

"249.422. 1. If approved by a majority of the voters voting on the proposal, any city, town, village or county on behalf of the unincorporated area, located either within the boundaries of a sewer district established pursuant to Article VI, Section 30(a) of the Missouri Constitution or within any county of the first classification having a charter form of government with a population of more than two hundred ten thousand inhabitants but less than three hundred thousand inhabitants, may by city, town, village or county ordinance levy and impose annually for the repair of lateral sewer service lines on or connecting residential property having six or less dwelling units a fee not to exceed fifty dollars per year. Any city, town, village, or county that establishes or increases the fee used to repair any portion of the lateral sewer service line shall include all defective portions of the lateral sewer service line from the residential structure to its connection with the public sewer system line. Notwithstanding any provision of chapter 448, the fee imposed pursuant to this chapter shall be imposed upon condominiums that have six or less condominium units per building and each condominium unit shall be responsible for its proportionate share of any fee charged pursuant to this chapter~~[-and]~~. In addition, any condominium unit shall, if determined to be responsible for and served by its own individual lateral sewer line **and notified of the determination in writing each time a notification of change of assessment is sent to the property owner under section 137.180**, be treated as an individual residence regardless of the number of units in the development. It shall be the responsibility of the condominium owner or condominium association who are of the opinion that they are not properly classified as provided in this section to notify the county **or municipal** office administering the program. Where an existing sewer lateral program was in effect prior to August 28, 2003, condominium and apartment units not previously enrolled may be ineligible for enrollment if it is determined that the sewer lateral serving the unit is defective.

2. The question shall be submitted in substantially the following form:

Shall a maximum charge not to exceed fifty dollars be assessed annually on residential property for each lateral sewer service line serving six or less dwelling units on that property and condominiums that have six or less condominium units per building and any condominium responsible for its own individual lateral sewer line to provide funds to pay the cost of certain repairs of those lateral sewer service lines which may be billed quarterly or annually?

YES                       NO

3. If a majority of the voters voting thereon approve the proposal provided for in subsection 2 of this section, the governing body of the city, town, village or county may enact an ordinance for the collection and administration of such fee in order to protect the public health, welfare, peace and safety. The funds collected pursuant to such ordinance shall be deposited in a special account to be used solely for the purpose of paying for all or a portion of the costs reasonably associated with and necessary to administer and carry out the defective lateral sewer service line repairs. All interest generated on deposited funds shall be accrued to the special account established for the repair of lateral sewer service lines.

**4. Fee payments that are authorized by this section shall be exempt from the requirements of section 139.031, and class action challenges are authorized, including challenges under Article X, Sections 22 and 23 of the Constitution of Missouri, as well as other measures approved by law.";** and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative McCreery moved that **House Amendment No. 10** be adopted.

Which motion was defeated.

On motion of Representative Haffner, **HCS HB 835, as amended**, was adopted.

On motion of Representative Haffner, **HCS HB 835, as amended**, was ordered perfected and printed.

**HCS HB 1212**, relating to the joint committee on federal government oversight, was taken up by Representative Francis.

On motion of Representative Francis, the title of **HCS HB 1212** was agreed to.

Representative Plocher moved the previous question.

Which motion was adopted by the following vote:

AYES: 096

Andrews	Atchison	Bailey	Baker	Basye
Billington	Black 137	Black 7	Boggs	Bromley
Brown 16	Buchheit-Courtway	Burger	Busick	Coleman 32
Coleman 97	Cook	Copeland	Cupps	Davidson
Davis	Deaton	DeGroot	Dinkins	Dogan
Eggleston	Evans	Falkner	Fishel	Fitzwater
Francis	Gregory 51	Gregory 96	Grier	Griesheimer
Griffith	Haden	Haffner	Haley	Hannegan
Hardwick	Hicks	Hill	Houx	Hudson
Hurlbert	Kalberloh	Kelley 127	Kelly 141	Knight
Mayhew	McGaugh	McGill	Murphy	O'Donnell
Owen	Perkins	Pike	Plocher	Pollitt 52
Pollock 123	Porter	Pouche	Price IV	Proudie
Reedy	Richey	Riggs	Riley	Roberts
Rone	Ruth	Sander	Sassmann	Schnelting
Schroer	Schwadron	Sharpe 4	Shaul	Shields
Simmons	Smith 155	Smith 163	Stacy	Stephens 128
Tate	Taylor 139	Taylor 48	Thompson	Toalson Reisch
Trent	Van Schoiack	Wallingford	Walsh 50	West
Wiemann				

NOES: 037

Adams	Anderson	Appelbaum	Aune	Bangert
Baringer	Brown 27	Brown 70	Burnett	Burton
Butz	Clemens	Doll	Ellebracht	Fogle
Gray	Gunby	Ingle	Johnson	Lewis 25
Mackey	McCreery	Mosley	Nurrenbern	Person
Phifer	Quade	Rowland	Sauls	Smith 67
Terry	Turnbaugh	Unsicker	Walsh Moore 93	Weber
Windham	Young			

PRESENT: 001

Sharp 36

ABSENT WITH LEAVE: 028

Aldridge	Barnes	Bland Manlove	Bosley	Chipman
Christofanelli	Collins	Derges	Henderson	Hovis
Kidd	Lewis 6	Lovasco	McDaniel	Merideth
Morse	Patterson	Pietzman	Railsback	Roden
Roeber	Rogers	Seitz	Stevens 46	Thomas
Veit	Wright	Mr. Speaker		

VACANCIES: 001

On motion of Representative Francis, **HCS HB 1212** was adopted.

On motion of Representative Francis, **HCS HB 1212** was ordered perfected and printed.

On motion of Representative Plocher, the House recessed until 4:00 p.m.

### AFTERNOON SESSION

The hour of recess having expired, the House was called to order by Speaker Vescovo.

Representative Plocher suggested the absence of a quorum.

The following roll call indicated a quorum present:

AYES: 028

Atchison	Bailey	Basye	Brown 27	Busick
Cook	Cupps	Davis	Derges	Haffner
Hardwick	Kelley 127	Kelly 141	Lewis 6	Lovasco
Mayhew	McGill	Owen	Patterson	Richey
Riggs	Roberts	Shields	Simmons	Taylor 139
Veit	Walsh 50	West		

NOES: 003

Fitzwater	Mackey	Rowland
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PRESENT: 113

Adams	Anderson	Andrews	Appelbaum	Aune
Baker	Bangert	Baringer	Barnes	Billington
Black 137	Black 7	Boggs	Bromley	Brown 16
Brown 70	Buchheit-Courtway	Burger	Burnett	Burton
Butz	Chipman	Christofanelli	Coleman 97	Collins
Copeland	Davidson	Deaton	DeGroot	Dinkins
Doll	Eggleston	Ellebracht	Evans	Falkner
Fishel	Fogle	Francis	Gray	Gregory 96
Grier	Griesheimer	Griffith	Gunby	Haden
Haley	Hannegan	Henderson	Hicks	Hill
Houx	Hovis	Hudson	Hurlbert	Johnson
Kalberloh	Kidd	Knight	Lewis 25	McCreery
McGaugh	Mosley	Murphy	Nurrenbern	O'Donnell
Perkins	Person	Pike	Plocher	Pollitt 52
Pollock 123	Porter	Pouche	Quade	Railsback
Reedy	Riley	Roden	Rone	Ruth
Sander	Sassmann	Sauls	Schnelting	Schroer
Schwadron	Seitz	Sharp 36	Sharpe 4	Shaul
Smith 155	Smith 163	Smith 67	Stacy	Stephens 128
Stevens 46	Taylor 48	Terry	Thomas	Thompson
Toalson Reisch	Trent	Turnbaugh	Unsicker	Van Schoiack
Wallingford	Walsh Moore 93	Weber	Wiemann	Windham
Wright	Young	Mr. Speaker		

ABSENT WITH LEAVE: 018

Aldridge	Bland Manlove	Bosley	Clemens	Coleman 32
Dogan	Gregory 51	Ingle	McDaniel	Merideth
Morse	Phifer	Pietzman	Price IV	Proudie
Roeber	Rogers	Tate		

VACANCIES: 001

### PERFECTION OF HOUSE BILLS - INFORMAL

**HCS HBs 1141 & 1067**, relating to A+ schools, was taken up by Representative Shaul.

Representative Shaul moved that the title of **HCS HBs 1141 & 1067** be agreed to.

Representative Schroer offered **House Amendment No. 1**.

#### *House Amendment No. 1*

AMEND House Committee Substitute for House Bill Nos. 1141 & 1067, Page 1, In the Title, Line 2, by deleting "A+"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Schroer, **House Amendment No. 1** was adopted.

Representative Basye offered **House Amendment No. 2.**

*House Amendment No. 2*

AMEND House Committee Substitute for House Bill Nos. 1141 & 1067, Page 5, Section 160.545, Line 138, by inserting after said section and line the following:

**"Section 1. 1. Interscholastic or intramural athletic teams that are sponsored by a public school shall be expressly designated as one of the following based on biological sex:**

- (1) "Males", "men", or "boys";
- (2) "Females", "women", or "girls"; or
- (3) "Coed" or "mixed".

2. Athletic teams or sports designated for "females", "women", or "girls" shall not be open to students of the male sex. Students of the female sex who previously participated in athletic teams or sports designated for "females", "women", or "girls" and who have begun gender or sex transitioning shall not participate in athletic teams or sports designated for "females", "women", or "girls" but may participate in athletic teams or sports designated "coed" or "mixed". Students of the female sex may participate in athletic teams or sports designated for "males", "men", or "boys" if the public school does not offer a comparable athletic team or sport designated for "females", "women", or "girls".

3. The general assembly may enact laws to implement this section including, without limitation, laws concerning:

- (1) Protections for public schools from complaints, investigations, or other adverse actions for maintaining separate interscholastic or intramural athletic teams or sports for students of the male and female sex; and
  - (2) Causes of action for injunctive relief, damages, and any other relief available under law for:
    - (a) A student who is deprived of an athletic opportunity or who suffers direct or indirect harm resulting from a violation of this section;
    - (b) A student who is subject to retaliation or other adverse action by a public school as a result of reporting a violation of this section; or
    - (c) A public school that suffers any direct or indirect harm as a result of a violation of this section.";
- and

Further amend said bill and page, Section B, Lines 3 and 5, by inserting after both instances of the word "section" the words "160.545 of section"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

**HCS HBs 1141 & 1067, as amended, with House Amendment No. 2, pending,** was laid over.

**REFERRAL OF SENATE BILLS**

The following Senate Bills were referred to the Committee indicated:

- SB 5** - Economic Development
- SS SCS SB 27** - Downsizing State Government
- SB 377** - Agriculture Policy

## COMMITTEE REPORTS

### **Committee on General Laws**, Chairman Trent reporting:

Mr. Speaker: Your Committee on General Laws, to which was referred **HB 68**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 24(28)(c) be referred to the Committee on Rules - Legislative Oversight by the following vote:

Ayes (11): Boggs, Brown (16), Davidson, Hurlbert, Pollitt (52), Riley, Ruth, Schnelting, Schroer, Schwadron and Trent

Noes (4): Ingle, Rogers, Sharp (36) and Weber

Absent (1): Merideth

Mr. Speaker: Your Committee on General Laws, to which was referred **HB 679**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 24(28)(c) be referred to the Committee on Rules - Legislative Oversight by the following vote:

Ayes (15): Boggs, Brown (16), Davidson, Hurlbert, Ingle, Pollitt (52), Riley, Rogers, Ruth, Schnelting, Schroer, Schwadron, Sharp (36), Trent and Weber

Noes (0)

Absent (1): Merideth

Mr. Speaker: Your Committee on General Laws, to which was referred **HB 1337**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 24(28)(c) be referred to the Committee on Rules - Legislative Oversight by the following vote:

Ayes (15): Boggs, Brown (16), Davidson, Hurlbert, Ingle, Pollitt (52), Riley, Rogers, Ruth, Schnelting, Schroer, Schwadron, Sharp (36), Trent and Weber

Noes (0)

Absent (1): Merideth

### **Committee on Public Safety**, Chairman Roden reporting:

Mr. Speaker: Your Committee on Public Safety, to which was returned **HB 290**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 24(28)(c) be referred to the Committee on Rules - Legislative Oversight by the following vote:

Ayes (6): Cook, Hardwick, McDaniel, Phifer, Roden and Walsh (50)

Noes (0)

Absent (4): Bland Manlove, Mosley, Schroer and Taylor (48)

Mr. Speaker: Your Committee on Public Safety, to which was referred **HB 863**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 24(28)(c) be referred to the Committee on Rules - Legislative Oversight by the following vote:

Ayes (6): Cook, Hardwick, McDaniel, Phifer, Roden and Walsh (50)

Noes (0)

Absent (4): Bland Manlove, Mosley, Schroer and Taylor (48)

**Committee on Fiscal Review**, Chairman Fitzwater reporting:

Mr. Speaker: Your Committee on Fiscal Review, to which was referred **HB 253**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (4): Eggleston, Fitzwater, Terry and Walsh (50)

Noes (1): Baringer

Absent (3): Griesheimer, Richey and Wiemann

Mr. Speaker: Your Committee on Fiscal Review, to which was referred **HCS HB 849**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (5): Baringer, Eggleston, Fitzwater, Terry and Walsh (50)

Noes (0)

Absent (3): Griesheimer, Richey and Wiemann

Mr. Speaker: Your Committee on Fiscal Review, to which was referred **HCS SS#2 SB 26**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (5): Baringer, Eggleston, Fitzwater, Terry and Walsh (50)

Noes (0)

Absent (3): Griesheimer, Richey and Wiemann

**Committee on Rules - Administrative Oversight**, Chairman Eggleston reporting:

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCS HCR 48**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (13): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McDaniel, McGaugh, Patterson, Phifer and Ruth

Noes (0)

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HJR 48**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Mackey, McDaniel, McGaugh, Patterson and Ruth

Noes (2): Bosley and Phifer

Present (1): Ingle

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCB 1**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (13): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McDaniel, McGaugh, Patterson, Phifer and Ruth

Noes (0)

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HB 518**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (12): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McGaugh, Patterson, Phifer and Ruth

Noes (1): McDaniel

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCS HB 571**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (11): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McGaugh, Patterson and Ruth

Noes (1): McDaniel

Present (1): Phifer

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCS HB 688**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, McGaugh, Patterson and Ruth

Noes (5): Bosley, Ingle, Mackey, McDaniel and Phifer

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCS HB 1125**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (12): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McGaugh, Patterson, Phifer and Ruth

Noes (1): McDaniel

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCS HB 1157**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (12): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McGaugh, Patterson, Phifer and Ruth

Noes (1): McDaniel

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HB 1335**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (12): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McGaugh, Patterson, Phifer and Ruth

Noes (1): McDaniel

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **HCS HB 1415**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, McGaugh, Patterson and Ruth

Noes (5): Bosley, Ingle, Mackey, McDaniel and Phifer

Absent (1): Cupps

Mr. Speaker: Your Committee on Rules - Administrative Oversight, to which was referred **SCR 2**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (13): Bosley, Dogan, Eggleston, Fitzwater, Gregory (96), Hudson, Ingle, Mackey, McDaniel, McGaugh, Patterson, Phifer and Ruth

Noes (0)

Absent (1): Cupps

**Committee on Rules - Legislative Oversight**, Chairman Christofanelli reporting:

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCR 26**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCB 2**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141) and Richey

Noes (2): Aune and Rogers

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCS HB 88**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141) and Richey

Noes (2): Aune and Rogers

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCS HB 101**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141) and Richey

Noes (2): Aune and Rogers

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 354**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 564**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 816**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 872**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCS HB 921**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 955**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 1090**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCS HB 1126**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 1165**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HCS HB 1166**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 1265**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141) and Richey

Noes (2): Aune and Rogers

Absent (1): Proudie

Mr. Speaker: Your Committee on Rules - Legislative Oversight, to which was referred **HB 1289**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (10): Aune, Bailey, Basye, Christofanelli, Griesheimer, Haffner, Hill, Kelly (141), Richey and Rogers

Noes (0)

Absent (1): Proudie

The following members' presence was noted: Aldridge, Bosley, and Rogers.

### **ADJOURNMENT**

On motion of Representative Plocher, the House adjourned until 10:00 a.m., Wednesday, April 21, 2021.

### **COMMITTEE HEARINGS**

#### **CHILDREN AND FAMILIES**

Wednesday, April 21, 2021, 8:00 AM, House Hearing Room 7.

Executive session will be held: HB 431

Executive session may be held on any matter referred to the committee.

#### **CRIME PREVENTION**

Wednesday, April 21, 2021, 8:00 AM, House Hearing Room 3.

Public hearing will be held: SS SCS SB 71, SS SCS SB 57

Executive session may be held on any matter referred to the committee.

#### **CRIME PREVENTION**

Thursday, April 22, 2021, 8:00 AM, House Hearing Room 3.

Executive session will be held: SS SCS SB 71

Executive session may be held on any matter referred to the committee.

#### **DOWNSIZING STATE GOVERNMENT**

Wednesday, April 21, 2021, 12:00 PM or upon morning recess (whichever is later),  
House Hearing Room 5.

Executive session will be held: HB 517

Executive session may be held on any matter referred to the committee.

#### **ECONOMIC DEVELOPMENT**

Thursday, April 22, 2021, 9:00 AM, House Hearing Room 5.

Public hearing will be held: SB 5

Executive session will be held: SB 365

Executive session may be held on any matter referred to the committee.

Added SB 5.

AMENDED

#### ELECTIONS AND ELECTED OFFICIALS

Wednesday, April 21, 2021, 12:00 PM or upon morning recess (whichever is later), House Hearing Room 6.

Executive session will be held: HB 1303, HB 1362, HB 680

Executive session may be held on any matter referred to the committee.

Added HB 680.

AMENDED

#### ETHICS

Wednesday, April 21, 2021, 12:00 PM or upon morning recess (whichever is later), House Hearing Room 4.

Executive session may be held on any matter referred to the committee.

Portions of this meeting may be closed under the authority of Article III, Section 18 of the Missouri Constitution, House Rule 37, House Resolution 70, and RSMo 610.021(3) (personnel matters).

#### ETHICS

Thursday, April 22, 2021, upon adjournment, House Hearing Room 4.

Executive session may be held on any matter referred to the committee.

Portions of this meeting may be closed under the authority of Article III, Section 18 of the Missouri Constitution, House Rule 37, House Resolution 70, and RSMo 610.021(3) (personnel matters).

#### ETHICS

Friday, April 23, 2021, 10:00 AM, House Hearing Room 4.

Executive session may be held on any matter referred to the committee.

Portions of this meeting may be closed under the authority of Article III, Section 18 of the Missouri Constitution, House Rule 37, House Resolution 70, and RSMo 610.021(3) (personnel matters).

#### FINANCIAL INSTITUTIONS

Wednesday, April 21, 2021, 5:00 PM or upon adjournment (whichever is later), House Hearing Room 7.

Executive session will be held: SS SCS SB 106

Executive session may be held on any matter referred to the committee.

#### HEALTH AND MENTAL HEALTH POLICY

Thursday, April 22, 2021, upon adjournment, House Hearing Room 7.

Executive session will be held: HB 889, SS SCS SB 43

Executive session may be held on any matter referred to the committee.

#### JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT

Monday, April 26, 2021, 1:00 PM, Joint Hearing Room (117).

Executive session may be held on any matter referred to the committee.

JCPER second quarter meeting.

LEGISLATIVE REVIEW

Wednesday, April 21, 2021, 9:30 AM, House Hearing Room 6.  
Executive session will be held: HB 259, HCS HB 876  
Executive session may be held on any matter referred to the committee.

LEGISLATIVE REVIEW

Thursday, April 22, 2021, upon adjournment, House Hearing Room 3.  
Executive session will be held: HB 920  
Executive session may be held on any matter referred to the committee.

LOCAL GOVERNMENT

Thursday, April 22, 2021, 8:30 AM, House Hearing Room 7.  
Public hearing will be held: HB 1274, HB 1365  
Executive session will be held: HB 607, HB 1336  
Executive session may be held on any matter referred to the committee.  
Removed HB 274.  
AMENDED

PROFESSIONAL REGISTRATION AND LICENSING

Wednesday, April 21, 2021, 8:00 AM, House Hearing Room 1.  
Public hearing will be held: HB 1426, SB 330  
Executive session will be held: SB 9  
Executive session may be held on any matter referred to the committee.

RULES - ADMINISTRATIVE OVERSIGHT

Thursday, April 22, 2021, upon adjournment, House Hearing Room 4.  
Executive session will be held: HB 293, HB 440, HCS HB 467, HB 1003, HB 1135, HB 1296,  
HCS HB 1444  
Executive session may be held on any matter referred to the committee.

SPECIAL COMMITTEE ON REDISTRICTING

Thursday, April 22, 2021, 8:30 AM, House Hearing Room 6.  
Executive session may be held on any matter referred to the committee.  
Public input for redistricting of MO Congressional District 2. In person and written testimony  
will be accepted.

SPECIAL COMMITTEE ON REDISTRICTING

Tuesday, April 27, 2021, 8:30 AM, House Hearing Room 6.  
Executive session may be held on any matter referred to the committee.  
Public input for redistricting of MO Congressional District 1. In person and written testimony  
will be accepted.

SPECIAL COMMITTEE ON TOURISM

Wednesday, April 21, 2021, 5:00 PM or upon adjournment (whichever is later), House Hearing Room 5.

Executive session will be held: SB 72

Executive session may be held on any matter referred to the committee.

SPECIAL COMMITTEE ON URBAN ISSUES

Wednesday, April 21, 2021, 9:00 AM, House Hearing Room 5.

Executive session will be held: SCS SCR 3, HB 1425

Executive session may be held on any matter referred to the committee.

Added HB 1425.

AMENDED

TRANSPORTATION

Wednesday, April 21, 2021, 6:30 PM or upon adjournment (whichever is later), House Hearing Room 1.

Public hearing will be held: SS SB 89, SS#2 SCS SB 262

Executive session will be held: SCS SB 520

Executive session may be held on any matter referred to the committee.

CORRECTED

VETERANS

Thursday, April 22, 2021, upon adjournment, House Hearing Room 6.

Executive session will be held: SS SB 63, SS SCS SB 120

Executive session may be held on any matter referred to the committee.

WAYS AND MEANS

Wednesday, April 21, 2021, 12:00 PM or upon morning recess (whichever is later), House Hearing Room 7.

Public hearing will be held: HJR 7

Executive session will be held: SS SCS SBs 153 & 97, SB 226

Executive session may be held on any matter referred to the committee.

WORKFORCE DEVELOPMENT

Wednesday, April 21, 2021, 12:00 PM or upon morning recess (whichever is later), House Hearing Room 1.

Executive session will be held: SB 303

Executive session may be held on any matter referred to the committee.

*Please note additional procedures will be in place due to the COVID-19 pandemic. All entrants to the capitol building may be required to submit to screening questions and physical screening. Members of the public must enter the building using the south entrance. Public seating in committees will be socially distanced and therefore limited. Committee hearings will be streamed. Links may be found at <https://www.house.mo.gov>.*

**HOUSE CALENDAR**

FIFTY-SEVENTH DAY, WEDNESDAY, APRIL 21, 2021

**HOUSE JOINT RESOLUTIONS FOR PERFECTION**

HJR 26 - Falkner  
HJR 47 - Bailey  
HJR 13 - Coleman (32)  
HJR 17 - Kidd  
HCS HJR 24 - Hardwick  
HJR 43 - Hill  
HJR 60 - Hill  
HCS HJR 22 - Eggleston  
HJR 49 - Simmons  
HCS HJR 53 - Basye

**HOUSE BILLS FOR PERFECTION**

HCS HB 688 - Murphy

**HOUSE BILLS FOR PERFECTION - INFORMAL**

HCS HB 782 - Trent  
HB 316 - Toalson Reisch  
HB 894 - Riggs  
HS HB 513 - Smith (155)  
HS HB 152 - Rone  
HB 474 - Trent  
HCS HB 785 - Hicks  
HB 212 - Hill  
HB 708 - Trent  
HB 259, (Legislative Review 4/13/21) - Evans  
HB 1088 - Hovis  
HCS HB 1202 - Fitzwater  
HCS HB 472 - Griesheimer  
HB 478 - Christofanelli  
HCS HB 303 - Wiemann  
HCS HB 602 - Grier  
HCS HB 1408 - Plocher  
HB 1416 - Black (137)  
HB 37 - Pollock (123)  
HCS HB 217 - Perkins  
HB 451 - Bailey  
HB 461 - Dogan

HCS HB 499 - Schroer  
HCS HB 541 - Lewis (6)  
HCS HB 549 - Christofanelli  
HCS HBs 647 & 841 - Pollitt (52)  
HB 652 - Stevens (46)  
HB 750 - Lovasco  
HCS HB 842 - Hill  
HCS HBs 1141 & 1067, as amended, HA 2 pending - Shaul  
HCS HBs 1222 & 1342 - Van Schoiack  
HB 1349 - Porter  
HB 1363 - Dogan  
HB 445 - McGirl  
HB 1061 - Eggleston  
HCS HB 1139 - Eggleston  
HCS HB 32 - Walsh (50)  
HB 36 - Pollock (123)  
HB 61 - Schnelting  
HCS HB 86 - Taylor (139)  
HCS HB 242 - Porter  
HCS HB 245 - Porter  
HB 308 - Kelley (127)  
HCS HB 323 - Hill  
HB 338 - Mayhew  
HB 353 - Henderson  
HCS HBs 359 & 634 - Baker  
HB 381 - McGaugh  
HB 390 - Griffith  
HB 396 - Richey  
HCS HB 443 - Kalberloh  
HCS HB 508 - Rone  
HCS HB 673 - Coleman (97)  
HCS HB 754 - Christofanelli  
HCS HB 755 - Christofanelli  
HCS HB 760 - Roden  
HB 764 - Andrews  
HB 769 - Grier  
HCS HB 814 - O'Donnell  
HCS HB 839 - Copeland  
HB 851 - Walsh (50)  
HCS HB 925 - Hudson  
HB 931 - Schroer  
HB 996 - Taylor (139)  
HB 1010 - Boggs  
HB 1156 - Hill  
HB 1162 - Trent

HB 1178 - Riggs  
HB 1345 - Cupps  
HB 920, (Legislative Review 4/19/21) - Baker  
HCS HB 876, as amended (Legislative Review 3/31/21) - Dogan  
HCS HB 1095 - Deaton  
HB 143 - DeGroot  
HB 161 - Hudson  
HCS HB 214 - Hill  
HCS HB 229 - Basye  
HB 318 - DeGroot  
HB 395 - Reedy  
HB 469 - Dinkins  
HCS HB 555 - Eggleston  
HCS HB 682 - Chipman  
HCS HB 1016 - Griesheimer  
HB 1200 - Billington  
HCS HB 577 - Riley  
HB 92 - Taylor (139)  
HB 491 - Grier

#### **HOUSE CONCURRENT RESOLUTIONS FOR THIRD READING**

HCS HCR 6 - Stevens (46)  
HCR 9 - Eggleston  
HCR 17 - Trent  
HCR 36 - Basye

#### **HOUSE COMPLAINTS FOR THIRD READING**

HC 2 - Fitzwater

#### **HOUSE BILLS FOR THIRD READING**

HCS HB 439 - Davidson  
HB 158 - Hudson

#### **HOUSE BILLS FOR THIRD READING - INFORMAL**

HCS HB 946 - Hill  
HCS HB 248, (Fiscal Review 4/7/21) - Coleman (32)  
HCS HB 922, (Fiscal Review 4/13/21) - Houx  
HB 253 - Fishel  
HS HCS HB 441, (Fiscal Review 4/15/21) - Falkner  
HCS HB 849 - Griffith

**SENATE BILLS FOR THIRD READING**

HCS SS#2 SB 26 - Schroer  
SB 37 - Knight  
SS SB 22 - Grier

**SENATE CONCURRENT RESOLUTIONS FOR THIRD READING**

SCR 2 - Murphy

**HOUSE BILLS WITH SENATE AMENDMENTS**

SS HB 345, (Fiscal Review 4/14/21) - DeGroot

**HOUSE BILLS TAKEN FROM COMMITTEE PER CONSTITUTION**

HB 275 - Hannegan

**ACTIONS PURSUANT TO ARTICLE IV, SECTION 27**

HCS HB 2001 - Smith (163)  
CCS SCS HS HCS HB 2002 - Smith (163)  
CCS SCS HS HCS HB 2003 - Smith (163)  
CCS SCS HS HCS HB 2004 - Smith (163)  
CCS SCS HS HCS HB 2005 - Smith (163)  
CCS SS SCS HS HCS HB 2006 - Smith (163)  
CCS SCS HS HCS HB 2007 - Smith (163)  
CCS SCS HS HCS HB 2008 - Smith (163)  
CCS SCS HS HCS HB 2009 - Smith (163)  
CCS SCS HS HCS HB 2010 - Smith (163)  
CCS SCS HS HCS HB 2011 - Smith (163)  
CCS SCS HS HCS HB 2012 - Smith (163)  
SCS HCS HB 2013 - Smith (163)  
HCS HB 2017 - Smith (163)  
HCS HB 2018 - Smith (163)  
HCS HB 2019 - Smith (163)  
HCS HB 14, (2020, 2nd Extra) - Smith (163)