

HOUSE _____ AMENDMENT NO. _____

Offered By _____

AMEND House Committee Substitute for Senate Bill No. 668, Page 19, Section 143.115, Line 52, by inserting after all of said line the following:

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

(1) "Agricultural products", an agricultural, horticultural, viticultural, or vegetable product, growing of grapes that will be processed into wine, bees, honey, fish or other aquacultural product, planting seed, livestock, a livestock product, a forestry product, poultry or a poultry product, either in its natural or processed state, that has been produced, processed, or otherwise had value added to it in this state;

(2) "Blighted area", that portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes;

(3) "Department", department of agriculture;

(4) "Domesticated animal", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, or horses, other equines, or rabbits raised in confinement for human consumption;

(5) "Grower UAZ", a type of UAZ:

(a) That can either grow produce, raise livestock, or produce other value-added agricultural products;

(b) That does not exceed fifty laying hens, six hundred fifty broiler chickens, or thirty domesticated animals; and

(c) Is a qualifying small business that is approved by the department;

(6) "Livestock", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, or horses, other equines, or rabbits raised in confinement for human consumption;

(7) "Locally grown", a product that was grown or raised in the same county or city not

1 within a county in which the UAZ is located or in an adjoining county or city not within a county.
2 For a product raised or sold in a city not within a county, locally grown also includes an adjoining
3 county with a charter form of government with more than nine hundred fifty thousand and those
4 counties adjoining said county;

5 (8) "Processing UAZ", a type of UAZ:

6 (a) That processes livestock or poultry for human consumption;

7 (b) That meets federal and state processing laws and standards; and

8 (c) Is a qualifying small business approved by the department;

9 (9) "Meat", any edible portion of a livestock or poultry carcass or part thereof;

10 (10) "Meat product", anything containing meat intended for or capable of use for human
11 consumption, which is derived, in whole or in part, from livestock or poultry;

12 (11) "Poultry", any domesticated bird intended for human consumption;

13 (12) "Qualifying small business", those enterprises which are established within an urban
14 agricultural zone subsequent to its creation, and which meet the definition established for the
15 small business administration and set forth in Section 121.301 of Part 121 of Title 13 of the Code
16 of Federal Regulations;

17 (13) "Value-added agricultural products", any product or products that are the result of:

18 (a) Using an agricultural product grown in this state to produce a meat or dairy product in
19 this state;

20 (b) A change in the physical state or form of the original agricultural product;

21 (c) An agricultural product grown in this state which has had its value enhanced by
22 special production methods such as organically grown products; or

23 (d) A physical segregation of a commodity or agricultural product grown in this state that
24 enhances its value such as identity preserved marketing systems;

25 (14) "Urban agricultural zone" or "UAZ", a zone within a metropolitan statistical area as
26 defined by the United States Office of Budget and Management that has one or more of the
27 following entities that is a qualifying small businesses, and approved by the department, as
28 follows:

29 (a) Any organization or person who grows produce or other agricultural products;

30 (b) Any organization or person who raises livestock or poultry;

31 (c) Any organization or person who processes livestock or poultry; or

32 (d) Any organization that sells at a minimum seventy-five percent locally grown food;

33 (15) "Vending UAZ", a type of UAZ:

34 (a) That sells produce, meat, or locally grown value-added agricultural products;

35 (b) That is able to accept food stamps under the provisions of the Supplemental Nutrition
36 Assistance Program as a form of payment; and

1 (c) Is a qualifying small business that is approved by the department for an UAZ vendor
2 license.

3 2. (1) A person or organization shall submit to any incorporated municipality an
4 application to develop an UAZ on a blighted area of land. Such application shall demonstrate or
5 identify on the application:

6 (a) If the person or organization is a grower UAZ, processing UAZ, vending UAZ, or a
7 combination of all three types of UAZs provided in this paragraph, in which case the person or
8 organization shall meet the requirements of each type of UAZ in order to qualify;

9 (b) The number of jobs to be created;

10 (c) The types of products to be produced; and

11 (d) If applying for a vending UAZ, the ability to accept food stamps under the provisions
12 of the Supplemental Nutrition Assistance Program if selling products to consumers.

13 (2) A municipality shall review and modify the application as necessary before either
14 approving or denying the request to establish an UAZ.

15 (3) Approval of the UAZ by such municipality shall be reviewed five and ten years after
16 the development of the UAZ. After twenty-five years, the UAZ shall dissolve. If the municipality
17 finds during its review that the UAZ is not meeting the requirements set out in this section, the
18 municipality may dissolve the UAZ.

19 3. The governing authority of any municipality planning to seek designation of an urban
20 agricultural zone shall establish an urban agricultural zone board. The number of members on the
21 board shall be seven. One member of the board shall be appointed by the school district or
22 districts located within the area proposed for designation as an enhanced enterprise zone. Two
23 members of the board shall be appointed by other affected taxing districts. The remaining four
24 members shall be chosen by the chief elected official of the municipality. The four members
25 chosen by the chief elected officer of the municipality shall each be residents of the county or city
26 not within a county in which the UAZ is to be located, and at least one of such four members shall
27 have experience in or represent organizations associated with sustainable agriculture, urban
28 farming, community gardening, or any of the activities or products authorized by this section for
29 UAZs.

30 4. The school district member and the two affected taxing district members shall each
31 have initial terms of five years. Of the four members appointed by the chief elected official, two
32 shall have initial terms of four years, and two shall have initial terms of three years. Thereafter,
33 members shall serve terms of five years. Each commissioner shall hold office until a successor
34 has been appointed. All vacancies shall be filled in the same manner as the original appointment.
35 For inefficiency or neglect of duty or misconduct in office, a member of the board may be
36 removed by the applicable appointing authority.

1 5. A majority of the members shall constitute a quorum of such board for the purpose of
2 conducting business and exercising the powers of the board and for all other purposes. Action
3 may be taken by the board upon a vote of a majority of the members present.

4 6. The members of the board annually shall elect a chair from among the members.

5 7. The role of the board shall be to conduct the activities necessary to advise the
6 governing authority on the designation of an urban agricultural zone and any other advisory duties
7 as determined by the governing authority. The role of the board after the designation of an urban
8 agricultural zone shall be review and assessment of zone activities.

9 8. Prior to the adoption of an ordinance proposing the designation of an urban agricultural
10 zone, the urban agricultural board shall fix a time and place for a public hearing and notify each
11 taxing district located wholly or partially within the boundaries of the proposed urban agricultural
12 zone. The board shall send, by certified mail, a notice of such hearing to all taxing districts and
13 political subdivisions in the area to be affected and shall publish notice of such hearing in a
14 newspaper of general circulation in the area to be affected by the designation at least twenty days
15 prior to the hearing but not more than thirty days prior to the hearing. Such notice shall state the
16 time, location, date, and purpose of the hearing. At the public hearing any interested person or
17 affected taxing district may file with the board written objections to, or comments on, and may be
18 heard orally in respect to, any issues embodied in the notice. The board shall hear and consider all
19 protests, objections, comments and other evidence presented at the hearing. The hearing may be
20 continued to another date without further notice other than a motion to be entered upon the
21 minutes fixing the time and place of the subsequent hearing.

22 9. Following the conclusion of the public hearing required under subsection 8 of this
23 section, the governing authority of the municipality may adopt an ordinance designating an urban
24 agricultural zone.

25 10. The real property of the UAZ shall not be subject to assessment or payment of ad
26 valorem taxes on real property imposed by the cities affected by this section, or by the state or any
27 political subdivision thereof, for a period of up to twenty-five years as specified by ordinance
28 under subsection 9 of this section, except to such extent and in such amount as may be imposed
29 upon such real property during such period, as was determined by the assessor of the county in
30 which such real property is located, or, if not located within a county, then by the assessor of such
31 city, in an amount not greater than the amount of taxes due and payable thereon during the
32 calendar year preceding the calendar year during which the urban agricultural zone was
33 designated. The amounts of such tax assessments shall not be increased during such period so
34 long as the real property is used in furtherance of the activities provided under the provisions of
35 subdivision (13) of subsection 1 of this section. At the conclusion of the period of abatement
36 provided by the ordinance, the property shall then be reassessed. If only a portion of real property

1 is used as an UAZ, then only that portion of real property shall be exempt from assessment or
2 payment of ad valorem taxes on such property, as provided by this section.

3 11. If the water services for the UAZ are provided by the municipality, the municipality
4 may authorize a grower UAZ to pay wholesale water rates, if available, for the cost of water
5 consumed on the UAZ and pay fifty percent of the standard cost to hook onto the water source.

6 12. (1) Any local sales tax revenues received from the sale of agricultural products sold
7 in the UAZ shall be deposited in the urban agricultural zone fund established in subdivision (2) of
8 this subsection. An amount equal to one percent shall be retained by the director of revenue for
9 deposit in the general revenue fund to offset the costs of collection.

10 (2) There is hereby created in the state treasury the "Urban Agricultural Zone Fund",
11 which shall consist of money collected under subdivision (1) of this subsection. The state
12 treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state
13 treasurer may approve disbursements. The fund shall be a dedicated fund and, upon
14 appropriation, shall be used for the purposes authorized by this section. Notwithstanding the
15 provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the
16 biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest
17 moneys in the fund in the same manner as other funds are invested. Any interest and moneys
18 earned on such investments shall be credited to the fund. School districts may apply to the
19 department for money in the fund to be used for the development of curriculum on or the
20 implementation of urban farming practices under the guidance of the University of Missouri
21 extension service and a certified vocational agricultural instructor. The funds are to be distributed
22 on a competitive basis within the school district or districts in which the UAZ is located under
23 rules to be promulgated by the department, with special consideration given to the relative number
24 of students eligible for free and reduced-price lunches attending the schools within such district or
25 districts.

26 13. Any rule or portion of a rule, as that term is defined in section 536.010 that is created
27 under the authority delegated under this section shall become effective only if it complies with
28 and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028."; and
29

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