

HOUSE AMENDMENT NO. ____
TO
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Offered By

AMEND House Amendment No. ____ to House Bill No. 627, Page 1, Line 15, by inserting after all of said line the following:

" Further amend said bill and page, Section 260.003, Line 14, by inserting after all of said section and line the following:

"640.900. 1. (1) There is hereby created in the state treasury the "Soil Erosion Control Fund", which shall consist of moneys appropriated by the general assembly; all gifts, grants, and bequests from any federal or private source; and all repayment of loan moneys from eligible homeowners' associations. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in this fund shall be used solely as provided in this section.

(2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.

(3) The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

2. The fund shall be used to better equip neighborhoods and communities to reduce sedimentation and erosion of creeks, streams, and waterways and to protect ecological integrity and environmental services provided by natural drainage channels that run in close proximity to residential areas. The following types of projects are eligible for loan funds:

(1) Daylighting waterways;

(2) Adding or restoring natural flood and catchment capacity to existing waterways;

(3) Restoring or rehabilitating natural culverts or culverts that use natural infrastructure;

(4) Bank stabilization using natural means such as vegetation, trees, or built implements as long as such implements do not compromise the natural functionality of the creek, stream, or waterway; and

(5) Any other project deemed eligible by the department.

3. The following projects shall not be eligible for loans under this section:

Action Taken _____ Date _____

1 (1) Lining drainage-ways with impermeable surfaces; and
2 (2) Deploying impermeable surfaces throughout a creek, stream, or waterway that covers
3 large swaths of natural area.
4 4. To be eligible for a loan under this section, a homeowners' association shall be
5 incorporated as a nonprofit organization under Missouri law.
6 5. The department of natural resources shall distribute moneys from the fund according to
7 rules and regulations promulgated under this section. The distribution shall also be subject to the
8 following:
9 (1) The interest amount on loans granted under this section shall not exceed the federal
10 funds rate or two percent, whichever is greater;
11 (2) The loan amount shall not exceed eighty percent of the total cost of a project in a single
12 fiscal year;
13 (3) The terms of the loan shall include a repayment schedule of not more than ten years; and
14 (4) A homeowners' association shall:
15 (a) Pass an assessment to the homeowners before qualifying for a loan under this section.
16 The assessment shall be documented in the minutes of a homeowners' association meeting,
17 indicating the meeting was held with appropriate notice, a quorum was present, and the vote for the
18 assessment was favorable;
19 (b) As loan collateral, place liens or contingent liens upon all property where improvements
20 from the project abut or are wholly within the property.
21 6. The department shall establish an application form for homeowners' associations to apply
22 for loans under this section that shall, at a minimum, require homeowners' associations to certify
23 their compliance with the requirements of this section and provide any other information the
24 department deems necessary for its decision to award funds.
25 7. The director may promulgate all necessary rules and regulations for the administration of
26 this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
27 under the authority delegated in this section shall become effective only if it complies with and is
28 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
29 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to
30 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
31 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
32 August 28, 2025, shall be invalid and void."; and"; and
33
34 Further amend said bill by amending the title, enacting clause, and intersectional references
35 accordingly.
36
37 THIS AMENDS 1647H01.08H.