

FIRST REGULAR SESSION

HOUSE BILL NO. 947

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE RIGGS.

0380H.02I

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 393.170, RSMo, and section 348.256 as enacted by senate bill no. 7, ninety-sixth general assembly, first extraordinary session, and section 348.256 as enacted by house bill no. 414, eighty-eighth general assembly, first regular session, and to enact in lieu thereof eight new sections relating to rural economic development.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 393.170, RSMo, and section 348.256 as enacted by senate bill no. 7, ninety-sixth general assembly, first extraordinary session, and section 348.256 as enacted by house bill no. 414, eighty-eighth general assembly, first regular session, are repealed and eight new sections enacted in lieu thereof, to be known as sections 226.035, 226.1205, 348.256, 393.170, 393.407, 393.1120, 393.1122, and 620.070, to read as follows:

226.035. Notwithstanding any provision of law to the contrary, when preparing the statewide transportation improvement program (STIP), the department of transportation shall prioritize projects involving rural roads and highways with high fatality rates.

226.1205. 1. The department of transportation shall conduct a feasibility study on potential improvements to the upper Mississippi river basin, which shall include evaluation of the following:

- (1) Increasing the navigation season on the Mississippi river to twelve-month navigation;**
- (2) Upgrading the existing locks to one-thousand-two-hundred-foot locks; and**
- (3) Adding hydropower on existing locks and dams.**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

8 **2. The department shall report the findings of the study to the general assembly**
9 **no later than December 1, 2026.**

2 ~~[348.256. 1. The articles of incorporation, bylaws, and methods of~~
3 ~~operation of the Missouri technology corporation shall be consistent with the~~
4 ~~provisions of sections 348.250 to 348.275.~~

5 ~~2. The purposes of the corporation are to contribute to the~~
6 ~~strengthening of the economy of the state through the development of~~
7 ~~science and innovation, to promote the modernization of Missouri businesses~~
8 ~~by supporting the transfer of science, technology and quality improvement~~
9 ~~methods to the workplace; to enhance the productivity and modernization of~~
10 ~~Missouri businesses by providing leadership in the establishment of methods~~
11 ~~of technology application, technology commercialization and technology~~
12 ~~development; to make Missouri businesses, institutions, and universities more~~
13 ~~competitive and increase their likelihood of success; to support and enhance~~
14 ~~local and regional strategies and initiatives that capitalize on the unique~~
15 ~~science and innovation assets across the state; to make Missouri a highly~~
16 ~~desirable state in which to conduct, facilitate, support, fund, and perform~~
17 ~~science and innovation research, development, and commercialization; to~~
18 ~~facilitate and effect the creation, attraction, retention, growth, and~~
19 ~~enhancement of both existing and new science and innovation companies in~~
20 ~~the state; to make Missouri a national and international leader in economic~~
21 ~~activity based on science and innovation; to enhance workforce development;~~
22 ~~to create and retain quality jobs; to advance scientific knowledge; and to~~
23 ~~improve the quality of life for the citizens of the state of Missouri in both~~
24 ~~urban and rural communities.~~

25 ~~3. The board of directors of the corporation shall be composed of~~
26 ~~fifteen persons. The governor shall annually appoint one of its members, who~~
27 ~~must be from the private sector, as chairperson. The board shall consist of the~~
28 ~~following members:~~

29 ~~(1) The director of the department of economic development, or the~~
30 ~~director's designee;~~

31 ~~(2) The president of the University of Missouri system, or the~~
32 ~~president's designee;~~

33 ~~(3) A member of the state senate, appointed by the president pro tem~~
34 ~~of the senate;~~

35 ~~(4) A member of the house of representatives, appointed by the~~
36 ~~speaker of the house;~~

37 ~~(5) Eleven members appointed by the governor, with the advice and~~
38 ~~consent of the senate, who are recognized for outstanding knowledge,~~
39 ~~leadership, and expertise in one or more of the fields of applicable expertise.~~

40 ~~Each of the directors of the corporation who is appointed by the governor shall~~
41 ~~serve for a term of four years and until a successor is duly appointed.~~

42 ~~4. Any changes in the articles of incorporation or bylaws must be~~
43 ~~approved by the governor.~~

44 ~~5. At the discretion of the state auditor, the corporation is subject to an~~
45 ~~audit by the state auditor and the corporation shall bear the full cost of the~~
46 ~~audit.~~

47 ~~6. Each of the directors of the corporation provided for in subdivisions~~
48 ~~(1) and (2) of subsection 3 of this section shall remain a director until the~~
49 ~~designating individual specified in such subdivisions designates a replacement~~
50 ~~by sending a written communication to the governor and the chairperson of the~~
51 ~~board of the corporation; provided, however, that if the director of economic~~
52 ~~development or the president of the University of Missouri system designates~~
53 ~~himself or herself to the corporation board, such person's service as a~~
54 ~~corporation director shall cease immediately when that person no longer serves~~
55 ~~as the director of economic development or as the president of the University~~
56 ~~of Missouri system. Each of the directors of the corporation provided for in~~
57 ~~subdivisions (3) and (4) of subsection 3 of this section shall remain a director~~
58 ~~until the appointing member of the general assembly specified in such~~
59 ~~subdivisions appoints a replacement by sending a written communication to~~
60 ~~the governor and the chairperson of the corporation board; provided, however,~~
61 ~~that if the speaker of the house or the president pro tem of the senate appoints~~
62 ~~himself or herself to the corporation board, such person's service as a~~
63 ~~corporation director shall cease immediately when that person no longer serves~~
64 ~~as the speaker of the house or the president pro tem of the senate.~~

65 ~~7. Each of the eleven members of the board appointed by the governor~~
66 ~~shall:~~

67 ~~(1) Hold office for the term of appointment and until the governor duly~~
68 ~~appoints his or her successor; provided that if a vacancy is created by the~~
69 ~~death, permanent disability, resignation, or removal of a director, such vacancy~~
70 ~~shall become immediately effective;~~

71 ~~(2) Be eligible for reappointment, but members of the board shall not~~
72 ~~be eligible to serve more than two consecutive four-year terms and shall not be~~
73 ~~reappointed to the board until they have not served on the board for a period of~~
74 ~~at least four interim years;~~

75 ~~(3) Not have a known inherent conflict of interest at the time of~~
76 ~~appointment; and~~

77 ~~(4) Not have served in an elected office or a cabinet position in state~~
78 ~~government for a period of two years prior to appointment, unless otherwise~~
79 ~~provided in this section.~~

80 ~~8. Any member of the board may be removed by affirmative vote of~~
81 ~~eleven members of the board for malfeasance or misfeasance in office,~~
82 ~~regularly failing to attend meetings, failure to comply with the corporation's~~
83 ~~conflicts of interest policy, conviction of a felony, or for any cause that renders~~
84 ~~the member incapable of or unfit to discharge the duties of a director of the~~
85 ~~corporation.~~

86 ~~9. The board shall meet at least four times per year and at such other~~
87 ~~times as it deems appropriate, or upon call by the president or the chairperson,~~
88 ~~or upon written request of a majority of the directors of the board. Unless~~
89 ~~otherwise restricted by Missouri law, the directors may participate in a meeting~~
90 ~~of the board by means of telephone conference or other electronic~~
91 ~~communications equipment whereby all persons participating in the meeting~~

92 ~~can communicate clearly with each other, and participation in a meeting in~~
93 ~~such manner will constitute presence in person at such meeting.~~

94 ~~10. A majority of the total voting membership of the board shall~~
95 ~~constitute a quorum for meetings. The board may act by a majority of those at~~
96 ~~any meeting where a quorum is present, except upon such issues as the board~~
97 ~~may determine shall require a vote of more members of the board for approval~~
98 ~~or as required by law. All resolutions and orders of the board shall be recorded~~
99 ~~and authenticated by the signature of the secretary or any assistant secretary of~~
100 ~~the board.~~

101 ~~11. Members of the board shall serve without compensation.~~
102 ~~Members of the board attending meetings of the board, or attending~~
103 ~~committee or advisory meetings thereof, shall be paid mileage and all other~~
104 ~~applicable expenses, provided that such expenses are reasonable, consistent~~
105 ~~with policies established from time to time by the board, and not otherwise~~
106 ~~inconsistent with law.~~

107 ~~12. The board may adopt, repeal, and amend such articles of~~
108 ~~incorporation, bylaws, and methods of operation that are not contrary to law or~~
109 ~~inconsistent with sections 348.250 to 348.275, as it deems expedient for its~~
110 ~~own governance and for the governance and management of the corporation~~
111 ~~and its committees and advisory boards; provided that any changes in the~~
112 ~~articles of incorporation or bylaws approved by the board must also be~~
113 ~~approved by the governor.~~

114 ~~13. A president shall direct and supervise the administrative affairs~~
115 ~~and the general management of the corporation. The president shall be a~~
116 ~~person of national prominence that has expertise and credibility in one or more~~
117 ~~of the fields of applicable expertise with a demonstrated track record of~~
118 ~~success in leading a mission-driven organization. The president's salary and~~
119 ~~other terms and conditions of employment shall be set by the board. The~~
120 ~~board may negotiate and enter into an employment agreement with the~~
121 ~~president of the corporation, which may provide for compensation,~~
122 ~~allowances, benefits, and expenses. The president of the corporation shall~~
123 ~~not be eligible to serve as a member of the board until two years after the end~~
124 ~~of his or her employment with the corporation. The president of the~~
125 ~~corporation shall be bound by, and agree to obey, the corporation's conflicts of~~
126 ~~interest policy, including annually completing and submitting to the board a~~
127 ~~disclosure and compliance certificate in accordance with such conflicts of~~
128 ~~interest policy.~~

129 ~~14. The corporation may employ such employees as it may require and~~
130 ~~upon such terms and conditions as it may establish that are consistent with~~
131 ~~state and federal law. The corporation may establish personnel, payroll,~~
132 ~~benefit, and other such systems as authorized by the board, and provide death~~
133 ~~and disability benefits. Corporation employees, including the president, shall~~
134 ~~be considered state employees for the purposes of membership in the Missouri~~
135 ~~state employees' retirement system and the Missouri consolidated health care~~
136 ~~plan. Compensation paid by the corporation shall constitute pay from a~~
137 ~~department for purposes of accruing benefits under the Missouri state~~
138 ~~employees' retirement system. The corporation may also adopt, in accordance~~
139 ~~with requirements of the federal Internal Revenue Code of 1986, as amended,~~

140 a defined contribution plan sponsored by the corporation with respect to
141 employees, including the president, employed by the corporation. Nothing in
142 sections 348.250 to 348.275 shall be construed as placing any officer or
143 employee of the corporation or member of the board in the classified or the
144 unclassified service of the state of Missouri under Missouri laws and
145 regulations governing civil service. No employee of the corporation shall be
146 eligible to serve as a member of the board until two years immediately
147 following the end of his or her employment with the corporation. All
148 employees of the corporation shall be bound by, and agree to obey, the
149 corporation's conflicts of interest policy, including annually completing and
150 submitting to the board a disclosure and compliance certificate in accordance
151 with such conflicts of interest policy.

152 15. No later than the first day of January each year, the corporation
153 shall submit an annual report to the governor and to the Missouri general
154 assembly which the corporation may contract with a third party to prepare and
155 which shall include:

156 (1) A complete and detailed description of the operating and financial
157 conditions of the corporation during the prior fiscal year;

158 (2) Complete and detailed information about the distributions from the
159 Missouri science and innovation reinvestment fund and from any income of
160 the corporation;

161 (3) Information about the growth of science and innovation research
162 and industry in the state;

163 (4) Information regarding financial or performance audits performed
164 in such year, including any recommendations with reference to additional
165 legislation or other action that may be necessary to carry out the purposes of
166 the corporation; and

167 (5) Whether or not the corporation made any distribution during the
168 prior fiscal year to a research project or other project for which a report shall
169 be filed under Subsection 4 of Section 38(d) of Article III of the Constitution
170 of the State of Missouri. If such a distribution was made, the corporation shall
171 disclose in the annual report the amount of the distribution, the recipient of the
172 distribution, and the project description.

173 16. The corporation shall keep its books and records in accordance
174 with generally accepted accounting procedures. Within four months following
175 the end of each fiscal year, the corporation shall cause a firm of independent
176 certified public accountants of national repute to conduct and deliver to the
177 board an audit of the financial statements of the corporation and an opinion
178 thereon, to be conducted in accordance with generally accepted audit
179 standards, provided, however, that this section shall be inapplicable if the
180 board of directors of the corporation determines that insufficient funds have
181 been appropriated to pay for the costs of compliance with these requirements.

182 17. Within four months following the end of every odd numbered
183 fiscal year, beginning with fiscal year 2016, the corporation shall cause an
184 independent firm of national repute that has expertise in science and
185 innovation research and industry to conduct and deliver to the board an
186 evaluation of the performance of the corporation for the prior two fiscal years,
187 including detailed recommendations for improving the performance of the

188 corporation, provided, however, that this section shall be inapplicable if the
189 board of directors of the corporation determines that insufficient funds have
190 been appropriated to pay for the costs of compliance with these requirements.

191 18. The corporation shall provide the state auditor a copy of the
192 financial and performance evaluations prepared under subsections 16 and 17
193 of this section.

194 19. The corporation shall have perpetual existence until an act of law
195 expressly dissolves the corporation; provided that no such law shall take effect
196 so long as the corporation has obligations or bonds outstanding unless
197 adequate provision has been made for the payment or retirement of such debts
198 or obligations. Upon any such dissolution of the corporation, all property,
199 funds, and assets thereof shall be vested in the state.

200 20. Except as provided under section 348.266, the state hereby pledges
201 to, and agrees with, recipients of corporation funding or beneficiaries of
202 corporation programs under sections 348.250 to 348.275 that the state shall not
203 limit or alter the rights vested in the corporation under sections 348.250 to
204 348.275 to fulfill the terms of any agreements made or obligations incurred by
205 the corporation with or to such third parties, or in any way impair the rights
206 and remedies of such third parties until the obligations of the corporation and
207 the state are fully met and discharged in accordance with sections 348.250 to
208 348.275.

209 21. The corporation shall be exempt from:

210 (1) Any general ad valorem taxes upon any property of the corporation
211 acquired and used for its public purposes;

212 (2) Any taxes or assessments upon any projects or upon any operations
213 of the corporation or the income therefrom;

214 (3) Any taxes or assessments upon any project or any property or local
215 obligation acquired or used by the corporation under the provisions of sections
216 348.250 to 348.275, or upon income therefrom.—

217
218 Purchases by the corporation to be used for its public purposes shall not be
219 subject to sales or use tax under chapter 144. The exemptions hereby granted
220 shall not extend to persons or entities conducting business on the corporation's
221 property for which payment of state and local taxes would otherwise be
222 required.

223 22. No funds of the corporation shall be distributed to its employees or
224 members of the board; except that, the corporation may make reasonable
225 payments for expenses incurred on its behalf relating to any of its lawful
226 purposes and the corporation shall be authorized and empowered to pay
227 reasonable compensation for services rendered to, or for, its benefit relating to
228 any of its lawful purposes, including to pay its employees reasonable
229 compensation.

230 23. The corporation shall adopt and maintain a conflicts of interest
231 policy to protect the corporation's interests by requiring disclosure by an
232 interested party, appropriate recusal by such person, and appropriate action by
233 the interested party or the board where a conflict of interest may exist or arise
234 between the corporation and a director, officer, employee, or agent of the
235 corporation.]

348.256. The articles of incorporation and bylaws of the Missouri technology corporation shall provide that:

(1) The purposes of the corporation are to contribute to the strengthening of the economy of the state through the development of science and technology, to promote the modernization of Missouri businesses by supporting the transfer of science, technology and quality improvement methods to the workplace, and to enhance the productivity and modernization of Missouri businesses by providing leadership in the establishment of methods of technology application, technology commercialization and technology development;

(2) The board of directors of the corporation is composed of ~~[fifteen]~~ **sixteen** persons, **with a minimum of six such persons residing in rural areas as defined in section 620.2005**. The governor shall annually appoint one of its members, who must be from the private sector, as ~~[chairman]~~ **chair**. The board shall consist of the following members:

(a) The director of the department of economic development, or the director's designee;

(b) The president of the University of Missouri system, or the president's designee;

(c) A member of the state senate, appointed by the president pro tem of the senate;

(d) A member of the house of representatives, appointed by the speaker the house;

(e) ~~[Eleven]~~ **Twelve** members appointed by the governor, ~~[two]~~ **three** of which shall be from the public sector and nine members from the private sector who shall include, but shall not be limited to, individuals who represent technology-based businesses and industrial interests, **with the advice and consent of the senate, who are recognized for outstanding knowledge, leadership, and expertise in one or more of the fields of applicable expertise;**

(f) Each of the directors of the corporation who is appointed by the governor shall serve for a term of four years and until a successor is duly appointed; except that, of the directors serving on the corporation as of August 28, 1995, three directors shall be designated by the governor to serve a term of four years, three directors shall be designated to serve a term of three years, three directors shall be designated to serve a term of two years, and two directors shall be designated to serve a term of one year. Each director shall continue to serve until a successor is duly appointed by the governor;

(3) The corporation may receive money from any source, may borrow money, may enter into contracts, and may expend money for any activities appropriate to its purpose, **provided that the percentage of moneys expended for the benefit of rural areas as defined in section 620.2005 is equivalent to the percentage of residents residing in rural areas according to the most recent decennial census;**

(4) The corporation may appoint staff and do all other things necessary or incidental to carrying out the functions listed in section 348.261;

38 (5) Any changes in the articles of incorporation or bylaws must be approved by the
39 governor;

40 (6) The corporation shall submit an annual report to the governor and to the Missouri
41 general assembly. The report shall be due on the first day of November for each year and
42 shall include detailed information on the structure, operation and financial status of the
43 corporation. The corporation shall conduct an annual public hearing to receive comments
44 from interested parties regarding the report, and notice of the hearing shall be given at least
45 fourteen days prior to the hearing; and

46 (7) The corporation is subject to an annual audit by the state auditor and that the
47 corporation shall bear the full cost of the audit.

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

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

13 3. **Before entering into contracts to sell retail or wholesale power within this**
14 **state, any electrical corporation that is not otherwise regulated by the public service**
15 **commission shall first obtain a certificate of convenience and necessity. The provisions**
16 **of this subsection shall not apply to municipally owned utilities or electrical**
17 **cooperatives.**

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

393.407. **No electric corporation, independently owned utility, municipally**
2 **owned utility, or electric cooperative shall close or otherwise cease operation of any coal-**
3 **fired power plant for five years after the effective date of this section.**

393.1120. At least ninety percent of the total amount of solar equipment
2 **constituting real property and tangible personal property associated with a project that**
3 **uses solar energy directly to generate electricity shall be made in or sourced from the**
4 **United States including, but not limited to, solar panels, solar panel mounting racks, all**
5 **rare earth minerals, and associated electrical equipment such as inverters, battery**
6 **packs, power meters, power lines, storage equipment directly associated with solar**
7 **generation assets, and substations. At least ninety percent of the total amount of all**
8 **labor associated with the installation of a project that uses solar energy directly to**
9 **generate electricity shall be provided by entities that are located in and maintaining a**
10 **permanent place of business in the state of Missouri.**

393.1122. 1. The total amount of real property associated with all solar energy
2 **projects that are established in any one county in this state shall not exceed an amount**
3 **greater than two percent of all cropland in such county, as determined by the most**
4 **recent U.S. Department of Agriculture Census of Agriculture, except as authorized**
5 **under this section.**

6 **2. The county commission or other authorized governing body may increase the**
7 **percentage of cropland under subsection 1 of this section by order, ordinance,**
8 **regulation, or a vote of the residents of the county.**

9 **3. Any resident of the county shall have standing to bring suit in a circuit court**
10 **of proper venue to enforce the provisions of subsection 1 of this section against a solar**
11 **energy project developer if he or she believes that the cap under subsection 1 of this**
12 **section has been met.**

620.070. 1. There is hereby established in the department of economic
2 **development the "Rural Development Office", which shall have the purpose and duty to**
3 **advocate for and promote rural Missouri and focus on efforts designed to aid rural**
4 **improvements.**

5 **2. The rural development office shall:**

6 **(1) Build and foster inclusive, collaborative partnerships and networks of**
7 **diverse individuals and organizations to improve the coordination and effectiveness of**
8 **federal, state, and other programs, services, and actions affecting rural areas in this**
9 **state;**

10 **(2) Serve as a liaison to federal, state, and local governmental agencies to ensure**
11 **that programs affecting rural Missourians are effectively utilized and that benefits are**
12 **available to all rural citizens;**

13 **(3) Advocate on behalf of the state's rural communities;**

14 **(4) Promote community-based problem-solving strategies;**

- 15 **(5) Advise the governor, agencies, organizations, and other entities on issues**
16 **affecting rural communities;**
- 17 **(6) Serve as a resource for private and nonprofit organizations on rural issues,**
18 **programs, and available sources of technical and financial assistance; and**
- 19 **(7) Conduct surveys of need and report on the needs of rural Missourians in the**
20 **following areas:**
- 21 **(a) Housing;**
22 **(b) Childcare and early childhood education;**
23 **(c) Broadband infrastructure;**
24 **(d) Health care and wellness;**
25 **(e) Workforce development; and**
26 **(f) Community development.**
- 27 **3. The department of economic development shall provide administrative**
28 **support and staff as deemed necessary to assist the rural development office.**

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