

HCS HB 1461 -- SOIL EROSION CONTROL FUND

SPONSOR: Wellenkamp

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Conservation and Natural Resources by a vote of 11 to 0.

The following is a summary of the House Committee Substitute for HB 1461.

This bill creates the "Soil Erosion Control Fund", which is to 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 bill specifies the types of projects that are eligible for the program.

To be eligible for a loan under this section, a homeowners' association must be incorporated as a nonprofit organization under Missouri law. The Department of Natural Resources must promulgate rules and regulations to govern the distribution of moneys from the fund. The distribution must also meet the following conditions:

- (1) The interest amount on loans may not exceed the federal funds rate or 2%, whichever is greater;
- (2) The loan amount may not exceed 80% of the total cost of a project in a single fiscal year;
- (3) The repayment schedule may not exceed 10 years; and
- (4) A homeowners' association must pass an assessment to the homeowners before qualifying for a loan as specified in the bill.

The Department must establish an application form for homeowners' associations to apply for loans that must, at a minimum, require homeowners' associations to certify their compliance with the requirements specified in the bill and provide any other information the Department deems necessary for its decision to award funds.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that this bill encourages neighborhoods to combat soil erosion by using ecologically beneficial methods to reduce soil erosion. The bill provides neighborhoods with access to financing that many smaller homeowners' associations do not qualify for currently.

Testifying in person for the bill were Representative Wellenkamp; Melissa Vatterott, Missouri Coalition For The Environment; and Community Associations Institute.

OPPONENTS: There was not opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.