

SECOND REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
SENATE SUBSTITUTE FOR

# HOUSE BILL NO. 2397

## 103RD GENERAL ASSEMBLY

4332S.06T

2026

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### AN ACT

To repeal section 247.220, RSMo, and to enact in lieu thereof two new sections relating to public water supply districts.

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

Section A. Section 247.220, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 247.220 and 247.229, to read as follows:

247.220. 1. Proceedings for the dissolution of a public water supply district shall be substantially the same as proceedings for the formation of such a district, as follows: A petition describing the boundaries of the district sought to be dissolved shall be filed with the clerk of the circuit court of the county wherein the subject district is situate, or with the clerk of the circuit court of the county having the largest acreage within the boundaries of the subject district, in the event that the subject district embraces lands in more than one county. Such petition, in addition to such boundary description, shall allege that further operation of the subject district is inimicable to the best interests of the inhabitants of the district, that the district should, in the interest of the public welfare and safety, be dissolved, that an alternative water supplier is available and better able to supply water to the inhabitants of the district, **that an agreement for sale of the district's assets has been entered into by the board of directors contingent upon approval of the circuit court and voters**, and such other information as may be useful to the court in determining whether the petition should be granted and a decree of dissolution entered. Such petition shall also include a detailed plan for payment of all debt and obligations of the district at the time of dissolution. Such petition shall be accompanied by a cash deposit of fifty dollars as an advancement of the costs of the

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.

17 proceeding and the petition shall be signed by not less than one-fifth of the registered voters  
18 from each subdistrict, or fifty registered voters from each subdistrict, whichever is less, within  
19 the subject district. The petition shall be verified by at least one of the signers thereof and  
20 shall be served upon the board of directors of the district as provided by law. The district  
21 shall be a party, and if the board of directors in its discretion determines that such dissolution  
22 is not in the public interest, the district shall oppose such petition and pay all cost and expense  
23 thereof.

24         2. Upon the filing of the petition, the same shall be presented to the circuit court, and  
25 such court shall fix a date for a hearing on such petition, as provided in this section.  
26 Thereupon, the clerk of the court shall give notice of the filing of the petition in some  
27 newspaper of general circulation in the county in which the proceedings are pending, and if  
28 the district extends into any other county or counties, such notice shall also be published in  
29 some newspaper of general circulation in such other county or counties. The notice shall  
30 contain a description of the subject boundary lines of the district and the general purposes of  
31 the petition, and shall set forth the date fixed for the hearing on the petition, which shall not  
32 be less than seven nor more than twenty-one days after the date of the last publication of the  
33 notice and shall be on some regular judicial day of the court wherein the petition is pending.  
34 Such notice shall be signed by the clerk of the circuit court and shall be published in three  
35 successive issues of a weekly newspaper or in twenty successive issues of a daily newspaper.

36         3. The court, for good cause shown, may continue the case or the hearing thereon  
37 from time to time until final disposition thereof.

38         4. Exceptions to the dissolution of a district may be made by any voter or landowner  
39 of the district, and by the district as herein provided; such exceptions shall be filed not less  
40 than five days prior to the date set for the hearing on the petition. Such exceptions shall  
41 specify the grounds upon which the exceptions are filed and the court shall take them into  
42 consideration in passing upon the petition and shall also consider the evidence in support of  
43 the petition and in support of the exceptions made. Unless petitioners prove that **there is an**  
44 **agreement for sale of the district's assets entered into by the board of directors that**  
45 **would permit** all debts and financial obligations of the district can be paid in full upon  
46 dissolution **and provide for the continuation of water supply to the inhabitants of the**  
47 **district**, the petition shall be dismissed at the cost of the petitioners.

48         5. Should the court find that it would not be to the public interest to dissolve a district,  
49 the petition shall be dismissed at the costs of the petitioners. If, however, the court should  
50 find in favor of the petitioners, the court shall enter its interlocutory decree of dissolution  
51 which decree shall provide for the submission of the question to the voters of the district in  
52 substantially the following form **with up to one hundred words, and notwithstanding the**  
53 **provisions of sections 116.115 and 116.160 to the contrary:**

54 Shall \_\_\_\_\_ Public Water Supply District be dissolved **and its assets sold to \_\_\_\_\_**  
55 **which shall thereafter be the water supplier?**

56 6. (1) **Except as provided in subdivision (2) of this subsection**, the decree of  
57 dissolution shall not become final and conclusive until it shall have been submitted to the  
58 voters residing within the boundaries described in such decree and until it shall have been  
59 assented to by a majority of two-thirds of the voters of the district voting on the proposition.

60 (2) **At their discretion, the board of directors of the district, except those**  
61 **districts that lie within a county with more than eleven thousand but fewer than twelve**  
62 **thousand five hundred inhabitants and with a county seat with more than four thousand**  
63 **but fewer than five thousand inhabitants, or a county with more than seven thousand**  
64 **but fewer than eight thousand inhabitants and with a county seat with more than one**  
65 **thousand but fewer than two thousand inhabitants, may approve a change in the vote**  
66 **threshold to a majority of three-fifths of the voters of the district voting on the**  
67 **proposition, if:**

68 (a) **Four-fifths of the directors voting on the question shall vote in favor;**

69 (b) **The circuit court has approved the three-fifths threshold; and**

70 (c) **The district has received from the department of natural resources a formal**  
71 **enforcement action resulting in an administrative order on consent pursuant to the**  
72 **provisions of chapter 640 or the Federal Safe Drinking Water Act that has not rectified**  
73 **as specified in the administrative order of consent, immediately prior to such action by**  
74 **the board.**

75 (3) The decree shall provide for the submission of the question and shall fix the date  
76 thereof. The returns shall be certified by the election authority to the circuit court having  
77 jurisdiction in the case and the court shall thereupon enter its order canvassing the returns and  
78 declaring the result of such election.

79 7. If, upon canvass and declaration, it is found and determined that the question shall  
80 have been assented to by ~~[a majority of two-thirds of the voters of the district voting on such~~  
81 ~~proposition]~~ **the number of voters required under subsection 6 of this section** then the  
82 court shall, in such order declaring the result of the election, enter a further order declaring the  
83 decree of dissolution to be final and conclusive. In the event, however, that the court should  
84 find that the question had not been assented to by the majority required, the court shall enter a  
85 further order declaring such decree of dissolution to be void and of no effect. No appeal shall  
86 lie from any of the aforesaid orders. In the event that the court declares the decree of  
87 dissolution to be final, as provided in this section, the clerk of the circuit court shall file  
88 certified copies of such decree of dissolution and of such final order with the secretary of state  
89 of the state of Missouri, and with the recorder of deeds of the county or counties in which the

90 district is situate and with the clerk of the county commission of the county or counties in  
91 which the district is situate.

92 8. Notwithstanding anything in this section to the contrary, no district shall be  
93 dissolved until after all of its debts shall have been paid, and the court, in its decree of  
94 dissolution, shall provide for the disposition of the property of the district, **which may direct**  
95 **that any excess funds be paid over to the treasurers of the various school districts on a**  
96 **pro rata basis equivalent to the ratio of customers of the public water supply district in**  
97 **the various school districts.**

**247.229. The board of directors of a public water supply district may contribute**  
2 **to the cost of a plan including a plan underwritten by insurance for furnishing all or**  
3 **part of hospitalization or medical expenses, life insurance or similar benefits for the**  
4 **district's employees. No contract shall be entered into by the board of directors to**  
5 **purchase any insurance policy or policies pursuant to the terms of this section unless the**  
6 **contract is submitted to competitive bidding at least every three years and the contract is**  
7 **awarded to the lowest and best bidder.**

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