

HB 1734 -- SOIL EROSION CONTROL FUND

SPONSOR: Wellenkamp

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

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.

This bill is similar to HCS HB 1461 (2025).

PROPOSERS: Supporters say that soil erosion damage to homes is approximately \$30 annually and affects many residents in the State and across the nation, but for many it is cost prohibitive to fix the problems. This bill encourages neighborhoods to

combat soil erosion by using ecologically beneficial methods to reduce soil erosion and 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; Community Associations Institute; The Nature Conservancy; St. Charles County; Carolyn Niswonger; Missouri Municipal League; Zach Morris; and Arnie Dienoff.

OPPONENTS: There was no 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.