HCS SB 953 -- ENVIRONMENTAL PROGRAMS WITHIN THE DEPARTMENT OF NATURAL RESOURCES

SPONSOR: Bean

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Conservation and Natural Resources by a vote of 6 to 5 with 1 member voting present. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 7 to 1 with 1 member voting present.

The following is a summary of the House Committee Substitute for SB 953.

This bill modifies the laws relating to environmental programs within the Department of Natural Resources.

EXPENDITURES BY THE DEPARTMENT OF NATURAL RESOURCES (Sections 640.220 and 643.350)

The bill requires that, before June 30, 2027, any unexpended balance in the subaccounts of the Natural Resources Protection Fund exceeding the preceding biennium's collections revert to the General Revenue Fund at the end of each biennium. Beginning July 1, 2027, any unexpended balance in the subaccounts of the natural resources protection fund that exceeds the preceding biennium's collections will not revert to the General Revenue Fund.

Beginning July 1, 2027, and annually on July 1st of each year thereafter, the Commissioner of Administration must use taxable sales reports to estimate the amount of state general revenue sales and use tax derived from electric power distribution in the previous calendar year and report the amount to the State Treasurer. The Treasurer must transfer certain amounts from the general revenue sales, as specified in the bill.

The bill repeals provisions relating to the transfer of funds from the Missouri Air Emission Reduction Fund.

CLEAN WATER COMMISSION (Section 644.021)

Currently, the Clean Water Commission must have one member who is knowledgeable about the needs of publicly owned water treatment works. This bill allows more than one member with this knowledge

to be appointed to the Commission and requires the Commission to establish rules of procedure that specify when members must exempt themselves due to a potential conflict of interest.

The bill also repeals the requirement that no member can receive, or have received for the past two years, a significant portion of his or her income from certain permit holders or permit applicants.

CLEAN WATER PERMITTING (Sections 644.051 and 644.059)

The bill specifies that agricultural nonpoint sources are exempt from clean water permitting requirements.

CLEAN WATER FEES (Section 644.057)

The bill repeals a provision prohibiting the Clean Water Commission from adopting or recommending a clean water fee exceeding $5,000.

WATER STORAGE IN CERTAIN RESERVOIRS (Section 644.083)

The bill specifies that a person who has contracted for the right to store water in a reservoir owned by the U.S. Army Corps of Engineers has the exclusive right to any return flows generated to that reservoir by the person, subject to certain regulatory requirements. The term "return flow" means water that is discharged directly or indirectly to a reservoir from a water reclamation facility.

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

PROPONENTS: Supporters say that traditionally, the Air Pollution Control Program has been funded by fees on air pollution sources, but due to the pollution reduction efforts of industry, the revenue generated no longer covers program operations. This bill would help keep the program solvent by stopping fund sweeps and moving revenue from other funds.

Testifying in person for the bill were Senator Bean; Associated Industries of Missouri; City Utilities of Springfield; Missouri Chamber of Commerce; American Council of Engineering Companies;

Missouri Association of Municipal Utilities; Missouri Forest Products Association; and Infra.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say without the changes in the funding for the program, the program will be insolvent by fiscal year 2028. In addition, others testifying cautioned that by removing the biennial fund sweep, incoming revenue to General Revenue will have to be made up in other ways, such as raising taxes.

Testifying in person on the bill were Aly Gatwood, Missouri Department of Natural Resources; and Armorvine LLC.

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.