

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 1001

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE KORMAN.

2240H.01P

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 135.311, 414.350, 414.510, and 640.653, RSMo, and to enact in lieu thereof five new sections relating to the division of energy.

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

Section A. Sections 135.311, 414.350, 414.510, and 640.653, RSMo, are repealed and  
2 five new sections enacted in lieu thereof, to be known as sections 135.311, 414.350, 414.510,  
3 640.653, and 1, to read as follows:

135.311. When applying for a tax credit the wood energy producer shall make  
2 application for the credit to the division of energy of the department of [natural resources]  
3 **economic development**. The application shall include:

4 (1) The number of tons of processed wood products produced during the preceding  
5 calendar year;

6 (2) The name and address of the person to whom processed products were sold and the  
7 number of tons sold to each person;

8 (3) Other information which the department of [natural resources] **economic**  
9 **development** reasonably requires. The application shall be received and reviewed by the  
10 division of energy of the department of [natural resources] **economic development** and the  
11 division shall certify to the department of revenue each applicant which qualifies as a wood  
12 energy-producing facility.

414.350. As used in sections 414.350 to 414.359, the following terms mean:

2 (1) "Alternative fuel", the same meaning as in section 414.400;

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.

3 (2) "Division", the division of energy of the department of [natural resources] **economic**  
4 **development**;

5 (3) "Fueling station", the equipment and property directly related to dispensing of an  
6 alternative fuel into the fuel tank of a vehicle propelled by such fuel, including the compression  
7 equipment and storage vessels for such fuel at the location where such fuel is dispensed;

8 (4) "Fund", the Missouri alternative fuel vehicle loan fund;

9 (5) "Incremental cost", the difference in cost between a vehicle that operates on  
10 conventional fuel and the cost of the same model vehicle equipped to operate on an alternative  
11 fuel;

12 (6) "Political subdivision", any county, township, municipal corporation, school district  
13 or other governmental unit in this state, but not including any "state agency" as such term is  
14 defined in section 536.010; and

15 (7) "Vehicle fleet", any fleet owned and operated by a political subdivision and  
16 comprised of ten or more motor vehicles with a manufacturer's gross vehicle weight rating of not  
17 more than eight thousand five hundred pounds registered for operation on the highways of this  
18 state pursuant to chapter 301.

414.510. As used in sections 414.500 to 414.590, the following terms mean:

2 (1) "Council", the Missouri propane education and research council created pursuant to  
3 section 414.530;

4 (2) "Director", the director of the division of energy of the department of [natural  
5 resources] **economic development** or the director's designee;

6 (3) "Education", any action to provide information on propane, propane use equipment,  
7 mechanical and technical practices, and propane uses to consumers and to members of the  
8 propane industry;

9 (4) "Manufacturers and distributors of LP-gas use equipment", any person or firm  
10 engaged in the manufacturing, assembling and marketing of appliances, containers and products  
11 used in the LP-gas industry, and those persons and firms in the wholesale marketing of  
12 appliances, containers and products used in the LP-gas industry;

13 (5) "Marketing", any action taken by the council to present positive information about  
14 propane to the public, including paid promotional advertising;

15 (6) "Person", any individual, group of individuals, partnership, association, cooperative,  
16 corporation, or any other entity;

17 (7) "Producer", the owner of the propane at the time it is recovered at a manufacturing  
18 facility, irrespective of the state where production occurs;

19 (8) "Propane" includes propane, butane, mixtures, and liquefied petroleum gas as defined  
20 by the National Fire Protection Association Standard 58 for the storage and handling of liquefied  
21 petroleum gases;

22 (9) "Public member", a member of the council selected from among significant users of  
23 odorized propane, organizations representing significant users of odorized propane, public safety  
24 officials, state propane gas regulatory officials, or voluntary standard-setting organizations;

25 (10) "Qualified industry organization", the National Propane Gas Association, the  
26 Missouri Propane Gas Association, the Gas Processors Association, or a successor association;

27 (11) "Research", any type of study, investigation or other activity designed to advance  
28 the image, desirability, usage, marketability, efficiency and safety of propane and propane use  
29 equipment, and to further the development of such information and products;

30 (12) "Retail marketer", a business engaged primarily in the selling of propane gas, its  
31 appliances and equipment to the ultimate consumer or to retail propane dispensers;

32 (13) "Transporter", any person involved in the commercial transportation of propane by  
33 pipeline, truck, rail or water;

34 (14) "Wholesaler" or "reseller", a seller of propane who is not a producer and who does  
35 not sell propane to the ultimate consumer.

640.653. 1. An application for loan funds or other financial assistance may be submitted  
2 to the department for the purpose of financing all or a portion of the costs incurred in  
3 implementing an energy conservation project. The application shall be accompanied by a  
4 technical assistance report. The application and the technical assistance report shall be in such  
5 form and contain such information, financial or otherwise, as prescribed by the department. This  
6 section shall not preclude any applicant or borrower from joining in a cooperative project with  
7 any other local government or with any state or federal agency or entity in an energy  
8 conservation project; provided that, all other requirements of sections 640.651 to 640.686 are  
9 met.

10 2. Eligible applications shall be assigned a payback score derived from the application  
11 review performed by the department. Applications shall be selected for loans and financial  
12 assistance beginning with the lowest payback score and continuing in ascending order to the  
13 highest payback score until all available program funds have been obligated within any given  
14 application cycle. The selection criteria may be applied per sector or entity to assure equity  
15 pursuant to section 640.674. In no case shall a loan or financial assistance be made to finance  
16 an energy project with a payback score of less than six months or more than ten years or eighty  
17 percent of the expected useful life of the energy conservation measures when the expected useful  
18 life exceeds ten years. Repayment periods are to be determined by the department. Applications  
19 may be approved for loans or financial assistance only in those instances where the applicant has

20 furnished the department information satisfactory to assure that the project cost will be recovered  
21 through energy cost savings during the repayment period of the loan or financial assistance.  
22 In no case shall a loan or financial assistance be made to an applicant unless the approval of the  
23 governing board or body of the applicant to the loan agreement is obtained and a written  
24 certification of such approval is provided, where applicable.

25 3. The department shall approve or disapprove all applications for loans or financial  
26 assistance which are sent by certified or registered mail or hand delivered and received by the  
27 [department's division of energy] **department** on, or prior to, the ninetieth day following the date  
28 of application cycle closing. Any applications which are not acted upon by the department by  
29 such date shall be deemed to be approved as submitted.

30 4. The department of elementary and secondary education shall be provided a summary  
31 of all proposed public elementary and secondary school projects for review within fifteen days  
32 from the application deadline. Once projects have been reviewed and selected for loans or  
33 financial assistance by the department, the department of elementary and secondary education  
34 shall have thirty days to certify that those projects selected for loans or financial assistance are  
35 consistent with related state programs for public education facilities.

36 5. The department of health and senior services shall be provided a summary of all  
37 proposed hospital projects for review within fifteen days from the application deadline. Once  
38 projects have been reviewed and selected for loans or financial assistance by the department of  
39 natural resources, the department of health and senior services shall have thirty days to certify  
40 that those projects selected for loans or financial assistance are consistent with related health  
41 requirements for hospital facilities.

42 6. The coordinating board for higher education shall be provided a summary of all  
43 proposed public higher education facility projects for review within fifteen days from the  
44 application deadline. Once projects have been reviewed and selected for loans and financial  
45 assistance by the department, the coordinating board for higher education shall have thirty days  
46 to certify that those projects selected for loans or financial assistance are consistent with related  
47 state programs for education facilities.

**Section 1. All references in state statute to the “division of energy” shall mean the  
2 division of energy within the department of economic development.**

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