FIRST REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1129

102ND GENERAL ASSEMBLY

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DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 640, RSMo, by adding thereto one new section relating to water exportation across state boundaries.

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

Section A. Chapter 640, RSMo, is amended by adding thereto one new section, to be 2 known as section 640.406, to read as follows:

640.406. 1. For the purposes of this section, the following terms shall mean:

- 2 (1) "Beneficial uses", uses of the waters of the state including, but not limited to, domestic, agricultural, industrial, recreational, and other legitimate beneficial uses;
 - (2) "Director", the director of the department of natural resources;
 - (3) "Person", any individual, partnership, copartnership, firm, company, public or private corporation, association, joint stock company, trust, estate, political subdivision, water district, or any agency, board, department, or bureau of the federal or any state government, or any other legal entity that is recognized by law as the subject of rights and duties;
 - (4) "Water sources", all waters of the state occurring on the surface, in natural or artificial channels, lakes, reservoirs, or impoundments, and in subsurface aquifers that are available or that may be made available.
 - 2. It shall be unlawful for any person to withdraw water from any water source for export outside the state of Missouri unless such person holds a water exportation permit issued by the department.
- 3. (1) Within one hundred eighty days after the department's receipt of a completed application, the director shall deny an application submitted under this

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.

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section if the director determines that conditions set forth in subdivision (2) of this subsection have not been met.

- (2) Within one hundred eighty days after the department's receipt of a completed application, the director shall issue a limited water exportation permit for exporting water across state lines for a specified period not to exceed five years if the following conditions have been met:
- (a) There is water available in the amount specified in the application to export for water use outside the state of Missouri;
- (b) The applicant has a present or future need for the water and intends to put the water into beneficial use within a specified period. In making the determinations of need and beneficial use, the director shall consider the availability of all water sources and other relevant matters as the director deems appropriate and may consider the availability of groundwater as an alternative source;
 - (c) The proposed use will not interfere with existing in-state uses; and
- (d) The proposed use will not interfere with proposed beneficial uses within the state. In making this determination, the director shall conduct a review under this section.
- (3) Except in accordance with the provisions of section 256.433, no permit shall be issued for a water source within the southeast Missouri regional water district created in section 256.643.
- 4. Applications for renewal of a water exportation permit shall be filed at least one hundred eighty days prior to the expiration date of the existing permit.
- 5. Before granting access to a water supply for uses outside this state, the director shall consider existing and proposed in-state uses in order to guarantee that instate users will have access to and use of all water required to maintain an adequate supply for beneficial uses.
- 6. The director shall review the needs for water supply export every five years to determine whether the water supply continues to be adequate for municipal, agricultural, industrial, domestic, and other beneficial uses within the state.
- 7. Consideration for each permit application and renewal are subject to the most recent reports, data, and information in consideration of each permit application, regardless of whether the application is for an initial permit or renewal of an active or expired permit.
- 8. The review conducted under subsection 3 of this section shall not be used to reduce the quantity of water authorized to be transferred under the active life of permits issued prior to such review.

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9. On the filing of an application for a water exportation permit to export water outside the state, the applicant shall designate an agent in the state of Missouri for service of process and to receive other notices.

- 10. In the event of a conflict between the conditions of use required in Missouri and conditions required in another state, the water exportation permit holder shall consent to conditions imposed by the director.
- 11. The time-limited, active life of the water exportation permit, not to exceed five years, shall require the director to determine whether there has been a substantial or material change relating to renewals of such permits. The director may include additional conditions to address any such substantial or material change when issuing a renewal of such permit. The director may deny permit renewal applications as necessary to comply with this section based on any such substantial or material change.
- 12. At the request of the department, the attorney general may bring an injunctive action or other appropriate action to enforce provisions of this section. Suit may be brought in any county where the defendant's principal place of business is located or where violation under this section occurred.
- 13. The department may promulgate all necessary rules and regulations for the implementation and administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

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