

SECOND REGULAR SESSION

HOUSE BILL NO. 2586

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE O'DONNELL.

5588H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 67.2815, RSMo, and to enact in lieu thereof one new section relating to the property assessment clean energy act.

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

Section A. Section 67.2815, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 67.2815, to read as follows:

67.2815. 1. A clean energy development board shall not enter into an assessment contract or levy or collect a special assessment for a project without making a finding that:

(1) There are sufficient resources to complete the project ~~[and that]~~ ;

(2) The estimated economic benefit expected from the project during the financing period is equal to or greater than the cost of the project; **and**

(3) **The sum of all liens and mortgages on the property plus the proposed amount of financing from the clean energy development board shall not exceed ninety-five percent of the appraised value of the property combined with any value added by the project.**

2. An assessment contract shall be executed by the clean energy development board and the benefitted property owner or property owners and shall provide:

(1) A description of the project, including the estimated cost of the project and details on how the project will either reduce energy consumption or create energy from renewable sources;

(2) A mechanism for:

(a) Verifying the final costs of the project upon its completion; and

(b) Ensuring that any amounts advanced or otherwise paid by the clean energy development board toward costs of the project will not exceed the final cost of the project;

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.

18 (3) An acknowledgment by the property owner that the property owner has received or
19 will receive a special benefit by financing a project through the clean energy development board
20 that equals or exceeds the total assessments due under the assessment contract;

21 (4) An agreement by the property owner to pay annual special assessments for a period
22 not to exceed twenty years, as specified in the assessment contract;

23 (5) A statement that the obligations set forth in the assessment contract, including the
24 obligation to pay annual special assessments, are a covenant that shall run with the land and be
25 obligations upon future owners of such property; and

26 (6) An acknowledgment that no subdivision of property subject to the assessment
27 contract shall be valid unless the assessment contract or an amendment thereof divides the total
28 annual special assessment due between the newly subdivided parcels pro rata to the special
29 benefit realized by each subdivided parcel.

30 3. The total special assessments levied against a property under an assessment contract
31 shall not exceed the sum of the cost of the project, including any required energy audits and
32 inspections, or portion thereof financed through the participation in a property assessed clean
33 energy program or clean energy conduit financing, including the costs of any audits or
34 inspections required by the clean energy development board, plus such administration fees,
35 interest, and other financing costs reasonably required by the clean energy development board.

36 4. The clean energy development board shall provide a copy of each signed assessment
37 contract to the local county assessor and county collector and shall cause a copy of such
38 assessment contract to be recorded in the real estate records of the county recorder of deeds.

39 5. Special assessments agreed to under an assessment contract shall be a lien on the
40 property against which it is assessed on behalf of the applicable clean energy development board
41 from the date that each annual assessment under the assessment contract becomes due. Such
42 special assessments shall be collected by the county collector in the same manner and with the
43 same priority as ad valorem real property taxes. Once collected, the county collector shall pay
44 over such special assessment revenues to the clean energy development board in the same
45 manner in which revenues from ad valorem real property taxes are paid to other taxing districts.
46 Such special assessments shall be collected as provided in this subsection from all subsequent
47 property owners, including the state and all political subdivisions thereof, for the term of the
48 assessment contract.

49 6. Any clean energy development board that contracts for outside administrative services
50 to provide financing origination for a project shall offer the right of first refusal to enter into such
51 a contract to a federally insured depository institution with a physical presence in Missouri upon
52 the same terms and conditions as would otherwise be approved by the clean energy development

53 board. Such right of first refusal shall not be applicable to the origination of any transaction that
54 involves the issuance of bonds by the clean energy development board.

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