

SECOND REGULAR SESSION

HOUSE BILL NO. 2731

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BAILEY.

5744H.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 assessed clean energy program.

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Section A. Section 67.2815, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 67.2815, to read as follows: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 there are sufficient resources to complete the project and that the estimated economic benefit expected from the project during the financing period is equal to or greater than the cost of 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;

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

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.

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

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

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

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

32 4. **The clean energy development board shall meet as often as the board deems
33 necessary to approve all assessment contracts, and at least annually. The board shall notify
34 all owners who have submitted assessment contracts for approval whose assessment
35 contracts will be presented for approval at a public meeting of their right to appear before
36 the board at the hearing where the owner's application will be considered. The board shall
37 meet in the county where the projects and assessment contracts to be reviewed, approved,
38 and recorded are located. The board, prior to approval of each contract, shall review the
39 contract and any related documents or reports that demonstrate compliance with the
40 provisions of subsections 1, 2, and 3 of this section and subsection 3 of section 67.2830. The
41 board shall hear any objection to an assessment presented by an owner. If the board
42 determines that the assessment contract is compliant and the owner does not object or the
43 objections are resolved with the owner's consent, the board may find that the contract has
44 been validly submitted for approval and may approve and sign each assessment contract.**

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

48 [5-] 6. Special assessments agreed to under an assessment contract shall be a lien on the
49 property against which it is assessed on behalf of the applicable clean energy development board
50 from the date that each annual assessment under the assessment contract becomes due. Such
51 special assessments shall be collected by the county collector in the same manner and with the
52 same priority as ad valorem real property taxes. Once collected, the county collector shall pay

53 over such special assessment revenues to the clean energy development board in the same
54 manner in which revenues from ad valorem real property taxes are paid to other taxing districts.
55 Such special assessments shall be collected as provided in this subsection from all subsequent
56 property owners, including the state and all political subdivisions thereof, for the term of the
57 assessment contract.

58 ~~[6:]~~ 7. Any clean energy development board that contracts for outside administrative
59 services to provide financing origination for a project shall offer the right of first refusal to enter
60 into such a contract to a federally insured depository institution with a physical presence in
61 Missouri upon the same terms and conditions as would otherwise be approved by the clean
62 energy development board. Such right of first refusal shall not be applicable to the origination
63 of any transaction that involves the issuance of bonds by the clean energy development board.

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