

SECOND REGULAR SESSION

# HOUSE BILL NO. 2529

## 100TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE HICKS.

5494H.011

DANA RADEMAN MILLER, Chief Clerk

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### AN ACT

To repeal sections 260.302, 260.325, and 260.335, RSMo, and to enact in lieu thereof three new sections relating to solid waste management districts.

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

Section A. Sections 260.302, 260.325, and 260.335, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 260.302, 260.325, and 260.335, to read as follows:

260.302. On June 19, 1992, and for three months thereafter and for the last three months of the year 1994 and every third year thereafter, the governing body of a county may apply to the department to request that the county be placed with another regional grouping **adjacent to the county** or, if necessary, in a new regional grouping. After public notice and comment and within no more than ninety days after the completed application has been submitted, the department shall authorize any such change if the county clearly and convincingly demonstrates that the change is necessary for effective solid waste management within the county and will not negatively affect the solid waste management system of either region. The procedure for establishing solid waste management regions set forth in section 260.300 shall take priority over and be followed in exclusion to the rulemaking procedure set forth in chapter 536 and section 260.225.

260.325. 1. The executive board of each district ~~[shall]~~ **may** submit to the department a plan which has been approved by the council for a solid waste management system serving areas within its jurisdiction and shall, from time to time, submit officially adopted revisions of its plan as it deems necessary or the department may require. In developing the district's solid waste management plan, the board shall consider the model plan distributed to the board

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.

6 pursuant to section 260.225. Districts may contract with a licensed professional engineer or as  
7 provided in chapter 70 for the development and submission of a joint plan.

8         2. The board shall hold at least one public hearing in each county in the district when it  
9 prepares a proposed plan or substantial revisions to a plan in order to solicit public comments  
10 on the plan.

11         3. The solid waste management plan shall be submitted to the department within  
12 eighteen months of the formation of the district. The plan shall be prepared and submitted  
13 according to the procedures specified in section 260.220 and this section.

14         4. Each plan shall:

15             (1) Delineate areas within the district where solid waste management systems are in  
16 existence;

17             (2) Reasonably conform to the rules and regulations adopted by the department for  
18 implementation of sections 260.200 to 260.345;

19             (3) Delineate provisions for the collection of recyclable materials or collection points for  
20 recyclable materials;

21             (4) Delineate provisions for the collection of compostable materials or collection points  
22 for compostable materials;

23             (5) Delineate provisions for the separation of household waste and other small quantities  
24 of hazardous waste at the source or prior to disposal;

25             (6) Delineate provisions for the orderly extension of solid waste management services  
26 in a manner consistent with the needs of the district, including economic impact, and in a manner  
27 which will minimize degradation of the waters or air of the state, prevent public nuisances or  
28 health hazards, promote recycling and waste minimization and otherwise provide for the safe and  
29 sanitary management of solid waste;

30             (7) Take into consideration existing comprehensive plans, population trend projections,  
31 engineering and economics so as to delineate those portions of the district which may reasonably  
32 be expected to be served by a solid waste management system;

33             (8) Specify how the district will achieve a reduction in solid waste placed in sanitary  
34 landfills through waste minimization, reduction and recycling;

35             (9) Establish a timetable, with milestones, for the reduction of solid waste placed in a  
36 landfill through waste minimization, reduction and recycling;

37             (10) Establish an education program to inform the public about responsible waste  
38 management practices;

39             (11) Establish procedures to minimize the introduction of small quantities of hazardous  
40 waste, including household hazardous waste, into the solid waste stream;

(12) Establish a time schedule and proposed method of financing for the development, construction and operation of the planned solid waste management system together with the estimated cost thereof;

(13) Identify methods by which rural households that are not served by a regular solid waste collection service may participate in waste reduction, recycling and resource recovery efforts within the district; and

(14) Include such other reasonable information as the department shall require.

5. The board shall review the district's solid waste management plan at least every twenty-four months for the purpose of evaluating the district's progress in meeting the requirements and goals of the plan, and shall submit plan revisions to the department and council.

6. In the event any plan or part thereof is disapproved, the department shall furnish any and all reasons for such disapproval and shall offer assistance for correcting deficiencies. The executive board shall within sixty days revise and resubmit the plan for approval or request a hearing in accordance with section 260.235. Any plan submitted by a district shall stand approved one hundred twenty days after submission unless the department disapproves the plan or some provision thereof.

7. The director may institute appropriate action under section 260.240 to compel submission of plans in accordance with sections 260.200 to 260.345 and the rules and regulations adopted pursuant to sections 260.200 to 260.345.

8. Funds may, upon appropriation, be made available to districts under section 260.335 for the purpose of implementing the requirements of this section.

9. Based upon the financial assistance amounts set forth in this section, the district executive board shall arrange for an independent financial statement audit of the records and accounts of its operations by a certified public accountant or a firm of certified public accountants. Districts receiving more than eight hundred thousand dollars of financial assistance annually shall have annual independent financial statement audits; districts receiving between two hundred fifty thousand dollars and eight hundred thousand dollars of financial assistance annually shall have a biennial independent financial statement audit for the two-year period. All other districts shall be monitored biennially by the department and, based upon the findings within the monitoring report, may be required to arrange for an independent financial statement audit for the biennial monitoring period under review. ~~[Subject to limitations caused by the availability of resources, the department shall conduct a performance audit of grants to each district at least once every five years, or as deemed necessary by the department based upon district grantee performance.]~~

260.335. 1. Each fiscal year eight hundred thousand dollars from the solid waste management fund shall be made available, upon appropriation, to the department and the environmental improvement and energy resources authority to fund activities that promote the development and maintenance of markets for recovered materials. ~~[Each fiscal year up to two hundred thousand dollars from the solid waste management fund may be used by the department upon appropriation for grants to solid waste management districts for district grants and district operations. Only those solid waste management districts that are allocated fewer funds under subsection 2 of this section than if revenues had been allocated based on the criteria in effect in this section on August 27, 2004, are eligible for these grants. An eligible district shall receive a proportionate share of these grants based on that district's share of the total reduction in funds for eligible districts calculated by comparing the amount of funds allocated under subsection 2 of this section with the amount of funds that would have been allocated using the criteria in effect in this section on August 27, 2004.]~~ The department and the authority shall establish a joint interagency agreement with the department of economic development to identify state priorities for market development and to develop the criteria to be used to judge proposed projects. Additional moneys may be appropriated in subsequent fiscal years if requested. The authority shall establish a procedure to measure the effectiveness of the grant program under this subsection and shall provide a report to the governor and general assembly by January fifteenth of each year regarding the effectiveness of the program.

2. All remaining revenues deposited into the fund each fiscal year after moneys have been made available under subsection 1 of this section shall be allocated as follows:

(1) Thirty-nine percent of the revenues shall be dedicated, upon appropriation, to the elimination of illegal solid waste disposal, to identify and prosecute persons disposing of solid waste illegally, to conduct solid waste permitting activities, to administer grants and perform other duties imposed in sections 260.200 to 260.345 and section 260.432. In addition to the thirty-nine percent of the revenues, the department may receive any annual increase in the charge during October 1, 2005, to October 1, 2027, under section 260.330 and such increases shall be used solely to fund the operating costs of the department;

(2) (a) Sixty-one percent of the revenues, except any annual increases in the charge under section 260.330 during October 1, 2005, to October 1, 2027, which shall be used solely to fund the operating costs of the department, shall be allocated to solid waste management districts. **Such revenues shall be immediately transferred on a quarterly basis.**

(b) Revenues to be allocated under this subdivision shall be divided as follows: forty percent shall be allocated based on the population of each district in the latest decennial census, and sixty percent shall be allocated based on the amount of revenue generated within each district. For the purposes of this subdivision, revenue generated within each district shall be

37 determined from the previous year's data. No more than ~~[fifty]~~ **twenty-five** percent of the  
38 revenue allocable under this subdivision may be allocated ~~[to]~~ **by** the districts ~~[upon approval~~  
39 ~~of the department]~~ for ~~[implementation of a solid waste management plan and]~~ district  
40 operations, and at least ~~[fifty]~~ **seventy-five** percent of the revenue allocable to the districts under  
41 this subdivision shall be allocated to **grants or projects serving** the cities and counties of the  
42 district or to persons or entities providing solid waste management, waste reduction, recycling  
43 and related services in these cities and counties. ~~[Each district shall receive a minimum of~~  
44 ~~seventy-five thousand dollars under this subdivision.]~~ After August 28, ~~[2015]~~ **2020**, each district  
45 shall receive a minimum of ~~[ninety-five]~~ **one hundred twenty** thousand dollars under this  
46 subdivision for district grants **and projects** and district operations. Each district receiving  
47 moneys under this subdivision shall expend such moneys pursuant to a solid waste management  
48 plan required under section 260.325, and only in the case that the district is in compliance with  
49 planning requirements established by the department. Moneys shall be awarded based upon  
50 grant applications **or project proposals**.

51 (c) The following criteria may be considered to establish the order of district grant **or**  
52 **project** priority:

53 ~~[(a)]~~ **a.** Grants to facilities of organizations employing individuals with disabilities under  
54 sections 178.900 to 178.960 or sections 205.968 to 205.972;

55 ~~[(b)]~~ **b.** Grants for proposals that will promote and maximize the sharing of district  
56 resources;

57 ~~[(c)]~~ **c.** Grants for proposals which provide methods of recycling and solid waste  
58 reduction; and

59 ~~[(d)]~~ **d.** All other grants.

60 (d) Any allocated district moneys remaining in any fiscal year due to insufficient or  
61 inadequate grant applications **or project proposals** shall be reallocated for grant applications  
62 **or project proposals** in subsequent years or for solid waste management projects other than  
63 district operations, including a district's next request for solid waste management project  
64 proposals. Any allocated district moneys remaining after a period of five years shall revert to  
65 the credit of the solid waste management fund created under section 260.330;

66 (3) Except for the amount up to one-fourth of the department's previous fiscal year  
67 expense, any remaining unencumbered funds generated under subdivision (1) of this subsection  
68 in prior fiscal years shall be reallocated under this section;

69 (4) Funds may be made available under this subsection for the administration and grants  
70 of the used motor oil program described in section 260.253[;];

71 ~~—(5) The department and the environmental improvement and energy resources authority~~  
72 ~~shall conduct sample audits of grants provided under this subsection].~~

73           3. In addition to the criteria listed in this section, the advisory board created in section  
74 260.345 shall recommend criteria to be used to allocate grant moneys to districts, cities and  
75 counties. These criteria shall establish a priority for proposals which provide methods of solid  
76 waste reduction and recycling. The department shall promulgate criteria for evaluating **state**  
77 grants by rule and regulation. Projects of cities and counties located within a district which are  
78 funded by grants under this section shall conform to the district solid waste management plan.

79           4. The funds awarded to the districts pursuant to this section shall be used for the  
80 purposes set forth in sections 260.300 to 260.345, and shall be used in addition to existing funds  
81 appropriated by counties and cities for solid waste management and shall not supplant county  
82 or city appropriated funds.

83           5. Once grants are approved by the solid waste management district, the district shall  
84 submit to the department **only** the ~~[appropriate forms associated with the grant application and~~  
85 ~~any]~~ supporting information to verify that appropriate public notice procedures were followed,  
86 that grant proposals were reviewed and ranked by the district, and that only eligible costs as set  
87 forth in regulations are to be funded. Within ~~[thirty]~~ **ten** days, the department shall review the  
88 grant application. If the department finds any deficiencies, or needs more information in order  
89 to evaluate the grant application, the department shall notify the district in writing. The district  
90 shall have an additional ~~[thirty]~~ **ten** days to respond to the department's request and to submit any  
91 additional information to the department. Within ~~[thirty]~~ **ten** days of receiving additional  
92 information, the department shall either approve or deny the ~~[grant application]~~ **information**.  
93 If the department takes no action, the ~~[grant application]~~ **information** shall be deemed approved.  
94 The ~~[department, in conjunction with the solid waste advisory board,]~~ **district** shall review the  
95 performance of all grant recipients to ensure that grant moneys were appropriately and effectively  
96 expended to further the purposes of the grant, as expressed in the recipient's grant ~~[application]~~  
97 **agreement**. The grant ~~[application]~~ **agreement** shall contain specific goals and implementation  
98 dates, and grant recipients shall be contractually obligated to fulfill same. The ~~[department]~~  
99 **district** may require the recipient to submit periodic reports and such other data as are necessary,  
100 both during the grant period and up to five years thereafter, to ensure compliance with this  
101 section. The ~~[department]~~ **district** may audit the records of any recipient to ensure compliance  
102 with this section. Recipients of grants under sections 260.300 to 260.345 shall maintain such  
103 records as required by the department. If a grant recipient fails to maintain records or submit  
104 reports as required herein, refuses the department access to the records, or fails to meet the  
105 department's performance standards, the ~~[department]~~ **district** may withhold subsequent grant  
106 payments, if any, and may compel the repayment of funds provided to the recipient pursuant to  
107 a grant.

108           6. The ~~[department]~~ **district** shall provide for a security interest in any machinery or  
109 equipment purchased through grant moneys distributed pursuant to this section.

110           7. If the moneys are not transmitted to the department within the time frame established  
111 by the rule promulgated, interest shall be imposed on the moneys due the department at the rate  
112 of ten percent per annum from the prescribed due date until payment is actually made. These  
113 interest amounts shall be deposited to the credit of the solid waste management fund.

114           **8. If a solid waste management district receives an unfavorable decision on a**  
115 **request submitted to the department, the district may send such request to the solid waste**  
116 **advisory board established in section 260.345 within thirty days. Such request may be**  
117 **appealed to the administrative hearing commission upon at least two-thirds of the members**  
118 **of the board representing solid waste management districts, excluding the members of the**  
119 **board appointed by the program director of the solid waste management program, voting**  
120 **to approve such appeal at the board's next regular meeting.**

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