Good evening!

Week 16 of the 2023 regular session is in the books! It's all about the amendments now. Legislators, lobbyists and staff are looking for vehicles to hang language for the finish line. And, some of us are working to block stuff from the finish line.

This week the Senate focused most of its time on the budget. It was supposed to be smooth sailing, but a few Senators said not so fast over Diversity-Equity-Inclusion (DEI) and other controversial language related to health care and initiative petitions. They weren't happy and decided to let everyone know it for several hours. Senators finally wrapped on all of the appropriations bills at 3 a.m. on Wednesday. That sucks. Wednesday and Thursday was all about reforming the initiative petition process. After compromise language was offered to HJR43, an initiative petition package passed the Senate 24 - 10.

The House did what it does and loaded up several bills with amendments. It's that time of the year. Two more weeks. The FY2024 budget is due next week on Friday, May 5 and the remaining Republican majority priorities include open enrollment, public safety, tort reform, gender care and transgendered issues.

This is the last full report of the session due to how large the bills become. We will update you in real time as needed. Please let us know if you have any questions in the meantime.

Thanks, and have a great weekend!

Initiative Petitions

The Senate dedicated over six hours Wednesday to debate HJR 43, sponsored by Representative Mike Henderson (R-Bonne Terre). Upon voter approval, the Resolution modifies the initiative petition process by requiring the Secretary of State to provide voters in each congressional district with a period in which to review and comment upon all initiative petitions proposing amendments to the Constitution. The Resolution also requires initiative petitions to receive approval from 60% of the votes to pass. After six hours of debate, and no compromise, the resolution was returned back to the calendar. The Senate dedicated floor time Thursday morning to revisit HJR 43. During debate, Senator Sandy Crawford (R-Buffalo) offered compromise language to remove the foreign country provisions, removed additional wording relating to "unless any vacancies", changed the 4/7th requirements to 57% throughout the bill, removed wording dealing with real estate provisions, and removed provisions stating the general assembly shall have executive authority. After a brief debate, the Senate passed the resolution by 24-10 vote. The resolution now will be sent back to the House for further consideration.

Postsecondary Degree Requirements for State Employment

The Senate Education and Workforce Development Committee convened Tuesday morning to consider passage of SB 476, sponsored by Senator Curtis Trent (R-Springfield). The bill prohibits state agencies and departments from denying consideration of employment for individuals who do not hold a postsecondary degree under certain circumstances. During committee discussion, a committee substitute was adopted to clarify that a postsecondary degree could only be required for employment consideration if required by state law or for a director-level position. Additionally, the committee substitute removed specific requirements for length of service to be considered

as adequate to meet the eligibility equivalent. Once modified, the committee passed the bill by a 6-0 vote.

State Agency Incentives for Employees

The Senate Education and Workforce Development Committee convened Tuesday morning to discuss HB 471, sponsored by Representative John Black (R-Marshfield). The bill allows state agencies and political subdivisions to provide certain pre-approved pay incentives up to 20% of the base salary of an employee for the purpose of retaining employees. Additionally, the legislation codifies the differentiated pay scale in public schools to allow school district boards to approve pay scales outside of the regular scale for hard to staff or hard to fill positions. Aligned testified in support. The Missouri NEA testified in opposition.

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State Road Fund

The Senate Emerging Issues Committee convened on Tuesday morning to discuss HJR 37, sponsored by Don Mayhew (R-Crocker). Upon voter approval, the proposed constitutional amendment would require that the State Road Fund be subject to appropriation by the General Assembly, rather than standing appropriated without legislative action. During the bill's House progression, language was adopted to include language that specifics part of the Department and the Commission's responsibility is to create the Statewide Transportation Improvement Program (STIP), which is used to determine what projects need to be completed. No supporting testimony was presented. A private advocate provided supporting testimony. Patrick McKenna, Director of MO Department of Transportation provided opposing testimony and informed committee members that it is the ability of the MO Highway and Transportation Commission to exercise the authority of the State Constitution as written. The process that the commission has in place is to enable a planning process that is recognized nationally, depoliticized project selection process, and selection process is done at the local level to provide local input and control. Additional opposing testimony was provided by AGC of Missouri, Missourians for Transportation Investment, Missouri Concrete Association, Greater Kansas City Chamber of Commerce, Civic Council of Greater Kansas City, ACEC Missouri, Missouri Transportation and Development Council, Missouri Trucking Association and Missouri Highways and Transportation Commission, stating this could delay projects or even interfere with contracts for existing projects.

Parking Tickets

The Senate Emerging Issues Committee convened on Tuesday morning to consider passage of SB 369, sponsored by Senator Justin Brown (R-Rolla). The bill specifies that no parking regulation or ordinance shall be enforced within 1 mile of the MO Capitol Grounds, except by a licensed peace officer. After no discussion, the committee passed the bill by a 5-0 vote.

CCP Platforms on State Devices

The Senate Governmental Accountability Committee convened Thursday morning to consider passage of HB 919, sponsored by Representative Adam Schnelting (R- St. Charles). The bill restricts any elected or appointed member or employee of any state agency from using or downloading on any social media platform owned by the Chinese Communist Party (CCP) or a company that shares user data with them on state electronic devices. During committee discussion, substitute language was adopted to include HB 1064, which seeks to modify the Personal Privacy Protection Act and SB 72, which establishes the "Judicial Privacy Act", which provides restrictions on the use of a judicial officer's personal information. Additionally, the committee substitute exempts out car rental companies from being able to track their fleet rentals. Once modified, the committee passed the bill by a 6-0 vote.

In Brief

- On Thursday, Governor Mike Parson held a press conference to celebrate the signing of SB 51, sponsored by Senator Karla Eslinger (R-O) which allows physical therapists to treat patients without a referral. During the press conference Governor Parson threatened to call lawmakers into a special session next month if the legislature fails to approve a plan to restrict transgender athletes and gender-related care for adolescents. The House and Senate have approved separate bills (HB 183 and HB 419 and SB 39 and SB 49) aimed at addressing concerns about transgender athletes and care for adolescents. However, to date, they have not come to a consensus to work out the differences.
- On Tuesday, the Department of Health and Senior Services (DHSS) announced that it will begin accepting applications early for the state's marijuana microbusiness program. The application window for the first round is July 27th through August 10thand forms and instructions will be available ahead of time, by June 6thon the department's website. Under Amendment 3, DHSS is required to begin accepting microbusiness applications by September. In October, DHSS will issue a total of 48 microbusiness licenses via random lottery drawing and will have six licensees in each of the state's eight congressional districts.
- On Wednesday, Circuit Judge Ellen Ribaudo stayed implementation of the emergency order which was enacted by Attorney General Andrew Bailey and placed restrictions on transgender minors and adults accessing gender-affirming care. The order was slated to go into effect Thursday. Among the many reasons, Judge Ribaudo stated she wanted time to review a brief from Attorney General Bailey's office on a temporary restraining order requested by those suing to stop the restrictions. The decision came after Attorney General Bailey's office tried unsuccessfully to have the case moved to federal court. Judge Ribaudo is expected to rule on the temporary injunction request on Monday.
- The Senate dedicated floor time Wednesday afternoon to revisit SB 265, sponsored by Senator Jason Bean (R-Holcomb). The bill establishes the "Waterways and Ports Trust Fund", for the purposes of developing a statewide plan for waterborne commerce and reviewing plans of local or regional port authorities for major public capital improvements to encourage coordination with the statewide plan. During previous debate, the bill was amended to include SB 317, which establishes the "Interstate 70 Improvement Fund", to be used solely by the Highways and Transportation Commission for the purposes of

completing and widening I-70. Additionally, SB 615 which creates "Flood Resiliency Act" and the "Flood Resiliency Program" for the purpose of increasing flood resiliency along the Missouri and Mississippi rivers and their tributaries and improving statewide flood forecasting and monitoring ability. After no debate, the Senate passed the bill by a 32-1 vote. The bill now will be sent to the House for further consideration.

Budget Update

The Senate dedicated extensive floor time Tuesday afternoon into the early morning hours on Wednesday to debate the FY 2024 budget and the FY 2023 Supplemental Budget. There were no substantive changes made during floor debate but rather corrections to transposed numbers and sectional references. Senator Denny Hoskins (R-Warrensburg) offered modified DEI language that would have banned diversity policies within state government which led to a six-hour filibuster involving all Senators. After the six-hour filibuster, the Appropriations Chairman, Senator Lincoln Hough (R-Springfield) raised a Point of Order, stating that the Supreme Court has ruled one cannot legislate policy matters through the budget, and the with the inclusion of the DEI language, it not only goes against the Supreme Court ruling, but it could also potentially interfere with existing and future contacts. After considerable debate, Senator Hoskins' amendment failed, and the Senate continued to work through the various budget items.

Out of the state's \$6 billion surplus, \$2.5 billion remains. Here are some key items included in the Senate budget:

- \$3.6 billion in aid to K-12 schools
- \$2.8 billion to widen I-70 to at least three lanes in both directions from Blue Springs to Wentzville
- \$461 million to boost the pay for those who take care of people with developmental disabilities.
- \$300 million to build a new psychiatric facility in Kansas City
- \$233 million to fully fund school transportation costs.
- \$78 million to boost rates to childcare providers.
- \$56 million for pre-K programs
- \$50 million in school safety grants
- \$50 million to help Jackson County Sports Authority organize the 2026 World Cup in Kansas City
- \$43 million to build a veterinary hospital and lab.
- \$32 million to boost pay for experienced teachers doing extra work through the Career Ladder Program
- \$29 million to raise the minimum public school teacher salary to \$38,000.
- \$25 million to build a meat laboratory.
- \$11.5 million to fight Missouri's black vulture programs.
- \$11 million for Imagination Library
- \$2 million to help with National Guard recruitment.
- A 20% pay increase for Missouri State Highway Patrol officers to deal with staffing shortages.
- \$4.6 million for state aid to public libraries
- 7% inflationary funding for the state's colleges and universities

The Senate Appropriations Committee was scheduled to begin the mark-up process for the four capital improvements bills, but that has been rescheduled for next week to allow staff and members more time to prepare.

Hearings

House: https://house.mo.gov/AllHearings.aspx

Senate: https://www.senate.mo.gov/hearingsschedule/hrings.htm

Key Upcoming Dates:

- May 5, 2023 Constitutional Deadline to pass the FY2024 state budget.
- May 12, 2023 Last day of Legislative Session
- July 1, 2023 First day of the new fiscal year
- July 14, 2023 Last day for Governor Parson to sign or veto legislation.
- September 13, 2023 Veto Session

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