

August 5, 2022

Good afternoon. Below is a recap of the week and a little bit of a look ahead.

Please let us know if you have any questions. Thanks for your time and have a great weekend!!

Leading up to the primary election, most politicians were hoping Tuesday would be the beginning of the end of the Conservative Caucus. The caucus has spent the last two years quarreling with GOP leadership and has dedicated a lot of time using procedural roadblocks to bring the Senate chamber to a halt. However, after Tuesday's primary election results, the conservative caucus numbers grew from seven to potentially ten members. The 100 PAC, which is a political action committee that is aligned with the conservative caucus and run by former Senator and current legislative staffer Jim Lembke, invested in four races and batted a thousand. It is likely leadership races will be fiercely competitive after the dust settles from the November 8 general election. 2023 could be another year of disagreements and gridlock in the senate.

Tidbits

- At a roll-out event on Wednesday, Governor Mike Parson announced Missouri is targeting tobacco use with a "historic" \$2.5 million for its Tobacco Prevention and Cessation Program. Youth activities and programs to prevent tobacco use in children will receive \$1 million, and another \$1.5 million will go towards programs to help tobacco users quit. One of the current programs that will receive funding is the Missouri Tobacco Quitline, a 24-hour hotline that gets around 200 calls a week. Governor Parson stated "the goal with the funding is to fix the problem at the root by preventing tobacco use instead of treating the diseases that come from tobacco products. This \$2.5 million is just the foundation". He added that he intends to increase the funding at some point in the future.
- Pfizer has begun construction on a \$60 million expansion of its Chesterfield campus that will grow its employment and boost the company's vaccine production. New York-based Pfizer is building an additional 37,000 and is a roughly 20% increase to its 295,000-square-foot campus and will accommodate the 70 new hires the company made last year. Pfizer employs about 750 people in Chesterfield and expects to hire an additional 40 scientists and engineers. The expansion will aid the company's continued research, development and manufacturing of Pfizer's biotherapeutics and vaccines portfolio, including RNA-based treatments for COVID-19 boosters, flu and shingles vaccines.
- State Budget Director Dan Haug announced Wednesday tax collections in all areas were up in July, the first month of the new fiscal year. The state's total general revenue collections are up more than 38 percent compared to last July. Missouri took in \$970.3 million in July alone this year, which is up from the \$701.3 million it collected in July 2021. Missouri raked in \$684 million in individual income taxes in July, which is a 42.3 percent increase from the \$480.5 million it collected by this time last year. Sales and use tax income is up nearly 17 percent as the state has taken in \$248.5 million so far this fiscal year, compared to the \$212.5 million it had by this time last year. Corporate

tax collections increased 12.1 percent compared to last year. The state collected \$51.5 million in July this year and \$46 million in July of last year. Revenue collections in all other areas are up 96.1 percent, from \$19.5 million last year to \$38.3 million this year.

ARPA Update:

The latest monthly reports from State Auditor Nicole Galloway detailing Missouri's use of federal stimulus dollars in response to COVID-19 shows Missouri received \$7.92 billion between April 2020 and March 2022. A significant portion of expenditures to date are for services through the state's Medicaid program (MO HealthNet) and other programs receiving federal matching funds. Under the Families First Coronavirus Response Act, the federal government increased its percentage share of the cost of the state's Medicaid program. The American Rescue Plan also offered Missouri a temporary increase in the federal funds matching rate in exchange for the state's Medicaid expansion. As of March 31, 2022, the increased cost share for the federal government has totaled \$1.6 billion in additional federal funding for Medicaid in Missouri. Other funding has been provided to local governments, schools, institutions of higher education, childcare providers, long-term care facilities and developmental disabilities waiver providers. Funds have also been used for mental health services, purchase of personal protective equipment, virus testing, contact tracing, vaccine preparedness and access, workforce development, economic development programs for small businesses, COVID-19 dedicated personnel costs, emergency rental assistance and other disaster relief purposes.

The local government funding is \$1.192 billion for counties, \$831 million for cities with a population generally of 50,000 or more, and \$450 million for other local jurisdictions with populations generally below 50,000. These funds may be used to cover eligible costs incurred during the period that began on March 3, 2021, and ends on December 31, 2024, as long as the award funds for the obligations incurred by December 31, 2024, are expended by December 31, 2026. Costs for projects incurred prior to March 3, 2021, are not eligible. This funding can be used for public health and economic needs; to provide premium pay to eligible workers; to replace lost revenue; and water, sewer and broadband infrastructure. In addition to programs and services, recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, and hospitals.

The Department of Economic Development announced the development and implementation of the online application for the Broadband Infrastructure Grant Program and the guidelines for the Workforce Training Grant Program are taking longer than anticipated. The new anticipated launch date for the Broadband Infrastructure Grant Program is scheduled for August 15th with the final Workforce Guidelines launching the following week on August 22. There is an ARPA program monthly update webinar scheduled for Friday August 5 and you can register for the update [here](#).

Flooding/Drought Update:

It is the height of irony that mere weeks after Governor Mike Parson signed [Executive Order 22-04](#) declaring a drought in 53 Missouri counties, Lt. Governor Mike Kehoe, acting on behalf of the Governor, would then have to issue [Executive Order 22-05](#) in response to the City of St. Louis, and surrounding counties receiving record setting amounts of rain, which led to flash flooding. More than 8.06 inches of rain fell, breaking the all-time daily rainfall total of 6.85 inches set in 1915. The Federal Emergency Management Agency (FEMA) is participating in

joint Preliminary Damage Assessments with the State Emergency Management Agency (SEMA) which is the first step to confirm the need for a federal Major Disaster Declaration. Eight teams will jointly verify documented damage in order to determine which federal programs can be requested to help support recovery.

While the flood damage is continuing to be assessed, the Drought Assessment Committee met in an emergency meeting on Thursday to discuss drought assistance measures for Missouri farms. The committee is composed of representatives from state and federal partner agencies that provide information, recommendations and coordination to mitigate impacts of the drought. The Missouri Soil and Water Districts Commission has approved the following four actions in response to the Executive Order and the emergency meeting. These variances apply only to counties that are in severe drought status and higher:

1. Grant a variance allowing immediate grazing in any of the livestock excluded areas provided the area is established in forages that can withstand grazing.
2. Defer the grazing school requirement for 12 months after contract payment for the water development and water distribution grazing system practices. Limit the water distribution contracts to one tank and needed pipeline from the water source. The rest of the system will need to be installed per policy after the landowner has completed an approved grazing school.
3. Reinstate the pond cleanout program, used in 2018, on ponds installed with state cost-share assistance. The sediment in the pond must be completely removed. A flat rate of \$1,500 per half acre (up to 2 acres) will be paid. The maximum cost-share provided will be \$6,000 regardless of the size of the pond. A 10-year maintenance commitment for the pond will be reinstated from the date of payment.
4. Grant a variance to the cover crop practice allowing cover crops to be harvested for livestock feed at termination providing additional forages and waive the two-production crop rotation requirement for the next planted production crop. Temporarily remove the lifetime maximum for the operators planning to harvest the forage for feed, which would allow assistance to anyone that has reached the current \$20,000 lifetime maximum. Landowners exceeding the \$20,000 maximum will receive \$30 per acre for any additional acres enrolled. Other requirements in the policy still apply.

An updated drought plan is being developed and will be released upon its completion. The committee is also developing a media strategy to inform those in severe drought status counties of the variances available and other resources that may be available to them. The Drought Assessment Committee plans to meet again next month but no date has currently been set.

Veterans Mental Health and Suicide Prevention

Last week, the House Interim Committee on Veterans Mental Health and Suicide Prevention conducted their first public hearing. Chairman Dave Griffith (R-Jefferson City) stated the role of the committee is not to develop legislation but rather to raise awareness of veteran suicide and help agencies develop the tools and programs needed to combat active military and veteran suicide. The committee considered presentations from the Director of the Missouri Veterans Commission, the Director of the Department of Mental Health, the Department Commander of the Missouri American Legion, and a representative from Signature Psychiatric Hospital.

The Missouri Veterans Commission presentation included informing the committee of collaborative programs currently being developed with the Office of Military Advocate to address the mental health crisis for military members, the launch of a new portal to help guide veterans to needed and available resources, the support of the launch of the new 988 hotline, and the utilization and education for members with Veteran Service Officer Programs. It was also noted more funding is needed for veterans to fully access benefits through their local Veterans Affairs Offices (VAs).

The Department of Mental Health presentation informed the committee of specific programs available for veterans. These are Missouri Buddy Check 22 Day which raises awareness for veteran suicide prevention, Military Suicide Prevention Training Teams for military officers and veterans which is free training to learn the warning signs of suicide, and Prevention Advocate Programs which is free training and education regarding behavioral health issues and suicide prevention for various veteran services organizations. It was also noted there are various programs to address substance abuse disorders.

The Missouri American Legion presentation informed the committee of local services and programs offered by the Legion such as Be the One, and how they direct veterans and active members to correct mental health services, and noted membership is dwindling due to attrition and the increased suicide rates amongst veterans.

Signature Psychiatric Hospital provided a presentation regarding their Valor Program in Kansas City which is a sixteen-bed program for veterans and active-duty service members and first responders to address those experiencing significant trauma and/or substance abuse disorders.

Chairman Griffith announced the next hearing will be at 11:00am on Wednesday, August 31st.

Upcoming Hearings and Meetings of Interest:

8/26/2022 1:00 PM Broadband Stakeholder Update Webinar

Join us for our next call as Director of Broadband Development BJ Tanksley discusses the latest from the Office of Broadband Development.

You can register for the webinar on August 12th [here](#).

08/31/2022 11:00 AM [House-Interim Committee on Veterans Mental Health and Suicide Committee Hearing, HR 7](#)

This hearing will focus on veteran suicide with presentations by the Missouri Department of Mental Health on their 988 suicide prevention hotline program as well as various non-profit organizations who offer life changing resources and experiences, crisis intervention, mental health and substance use treatment, and outreach for veterans.

Key Upcoming Dates:

- August 28, 2022 - Date Most Legislation Takes Effect (unless another date is specified)
- September 14, 2022 - Veto Session
- November 8, 2022 - Missouri General Election
- December 1, 2022 - First day of pre-bill filing for the 2023 legislative session

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