

February 11, 2023

As the old saying goes, all good things must come to an end. This week the Senate experienced its first filibuster of the session. Senate Democrats blocked a bill that seeks to lower the maximum unemployment benefits. After several hours of filibustering, the bill was laid over to fight another day. On the other side of the Capitol Building, State Representatives dedicated most of the week to debating an omnibus public safety bill sponsored Representative Lane Roberts (R - Joplin). With another week behind us, Senate Republicans have successfully avoided any in-fighting which has dominated previous sessions.

Your full report for the week is below including relevant floor debate notes and a review of the State of Judiciary. I hope you're having a great weekend. Talk to you next week!

Place Your Bets

The House Emerging Issues Committee convened Wednesday evening to discuss HB 556 and HB 581, sponsored by Representatives Dan Houx (R-Warrensburg) and Phil Christofanelli (R - St. Peters). The bills are identical and seek to legalize sports betting in Missouri. During the bill presentation, the sponsors informed committee members the language represents a compromise between the gaming industry, vendors, and the various sports leagues on their preferred implementation and regulatory framework. Additionally, the sponsors shared that it is time to legalize an already present unregulated industry and compete with other states offering sports betting as there are currently 33 other states that have legalized sports betting. The MO Gaming Association supported the language due to arguments of establishing a proper regulatory environment designed to ensure appropriate oversight and regulation while protecting consumers. Additional supporting testimony was provided by Penn National, St. Louis Cardinals, MO Pro Sports Team Coalition, Sports Betting Alliance, St. Louis Blues, Kansas City Royals, St. Louis City Soccer Club, Kansas City Chiefs, Kansas City Current, iDevelopment and Economic Association, Sports Radar, and the MO Chamber of Commerce and Industry. The Players Association provided opposing testimony, informing the committee they support sports wagering overall however, they advocated the need to include protections for players, provide an adequate definition of "sport's governing body", and include protections to protect players' personal biometric data.

Stay tuned...

Floor Debate Notes

Biweekly Pay

The Senate dedicated floor time Monday afternoon to debate SB 111, sponsored by Senator Mike Bernskoetter (R-Jefferson City). The bill is the Senate companion to HB 131 sponsored by Representative Dave Griffith (R-Jefferson City) and allows the salaries of public (state) employees to be paid on a biweekly basis, as determined by the Office of Administration. During floor debate, the sponsor offered substitute language to include SB 110, which repeals the Personnel Advisory Board. Once modified, the Senate provided its first of two necessary approval votes. The Senate dedicated floor time Thursday morning to revisit SB 111. After no debate, the Senate passed the bill by a 32-0 vote. The bill now will be sent to the House for further consideration.

Committee Hearing Notes

Environmental, Social and Governance (ESG) in Retirement Systems

The House Pensions Committee convened Tuesday morning to consider passage of HB 769, sponsored by Representative Bill Owen (R-Springfield). This legislation seeks to ensure that investment fiduciaries do not consider ESG characteristics in a manner that overrides their fiduciary duties. After no discussion, the committee passed the bill by a 6-3 vote.

Environment, Social, and Governance Requirements

The House Financial Institutions Committee convened Tuesday afternoon to consider passage of HB 770, sponsored by Representative Terry Thompson (R-Lexington). The bill prohibits Missouri State agencies from implementing Environment, Social, and Governance (ESG) requirements on Missouri businesses, including farming operations. After brief discussion, the committee passed the bill by a 10-3 vote.

The committee then turned its attention towards HB 824, sponsored by Representative Michael O'Donnell (R-St Louis). The bill requires financial advisers to disclose any social objective or non-financial objective to clients. During committee discussion, a committee substitute was adopted to add the definition of "Broker Dealer". Once modified, the committee passed the bill by a 13-0 vote.

MoDOT and HSP Retirement System

The Senate Committee on Veterans, Military Affairs and Pensions convened Wednesday afternoon to consider passage of SB 20, sponsored by Senator Mike Bernskoetter (R-Jefferson City). The bill would allow active employee members of the Board of Trustees of Missouri Department of Transportation and Highway Patrol Employees' Retirement System to continue their term until June 30, 2028. After brief discussion, the committee passed the bill by a unanimous 6-0 vote.

Public School Retirement System Modifications

The Senate Committee on Veterans, Military Affairs and Pensions convened Wednesday afternoon to consider passage of SB 75, sponsored by Senator Rusty Black (R-Chillicothe). Currently, any PSRS retired teacher can be employed in a position covered under PEERS without losing retirement benefits. The teacher may earn up to 60% of the minimum teacher's salary without contributing to the system or earning creditable service. The bill allows the teacher to earn up to the annual earnings limit applicable to a Social Security recipient before the calendar year of retirement. Additionally, the bill allows a retired teacher or non-certificated employee who is receiving a PSRS retirement benefit to work full time for a school district that has demonstrated a shortage of certified teachers or non-certificated employees for two to four years. Lastly, the bill allows members of the Public School Retirement System of Missouri who have 32 or more years of creditable service, regardless of age, to have their retirement allowance calculated using a multiplier of 2.55%. After brief discussion, the committee passed the bill by a 6-0 vote.

Stars and Stripes Historic Region

The Senate Committee on Transportation, Infrastructure and Public Safety convened Wednesday morning to discuss SB 139, sponsored by Senator Jason Bean (R-Peach Orchard). The bill establishes the "Stars and Stripes Historic Region of Missouri" and allows MoDOT to place markers within the region if they have been paid for by private donation. The Veterans Commission provided supporting testimony. No opposing testimony was presented.

State Road Fund

The House Transportation Accountability Committee convened Thursday morning to continue discussions on 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. No supporting testimony was presented. 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. Immediately after the hearing, the committee went into executive session to consider passage of HJR 37. During committee discussion, a committee substitute was adopted to include language that specifies 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. During committee discussions, the sponsor informed committee members that it is not his intent to politicize the project approval process and legislators need to have more oversight in the decision process. Once modified, the committee passed the bill by a 10-4 vote.

Dead animals from roads and highways

The House Transportation Accountability Committee convened Thursday morning to consider passage of HB 404 and HB 501, sponsored by Representative Kent Haden (R- Callaway) and Paula Brown (D- St. Louis). The bills are identical and seek to modify provisions relating to disposals of dead animals from roads and highways. During committee discussion, a committee substitute was adopted to combine both bills into one legislative vehicle and restrict the bill just to deer. Once modified, the committee passed the bill by an 11-2 vote.

State of the Judiciary

Chief Justice Paul C. Wilson delivered his final State of Judiciary address Wednesday afternoon before the full General Assembly. Judge Wilson started his speech off by reminding the General Assembly that while it is easy to criticize the government, people currently gathered in the chamber were, in fact, the government. "You, me, and the nearly 50,000 other public servants who live and work in virtually every community in this state, we are the government. Government is people and, for today's purposes, it's us," Wilson said.

Although his speech was brief, it was filled with unique perspectives, reassurance, encouragement, jokes, and had a bipartisan tone about public service. Judge Wilson thanked the legislature for the cost-of-living increases in state employee pay and advocated for a market-based approach to compensation in order to attract and keep courtroom staff. He also cited the recent turnover in judges, noting 40 percent of all the trial and appellate judges are new to their positions. Wilson joined Governor Mike Parson's call for the expansion of rural broadband which would also benefit the court system and highlighted the success of veterans' courts in the state. He also outlined some of the achievements of the past two years including the Justice Reinvestment Initiative, the Partnership for Child Safety and Well-Being, and the Leading Change in Criminal Justice initiative.

At the end of his address, Judge Wilson announced that two members of the court, Judges Patricia Breckenridge and George Draper III, will retire this year as they have reached the mandatory age of retirement and concluded his speech by saying, "May God bless Patrick Mahomes' ... right ankle!"

Budget Update

The Senate Appropriations Committee continued to consider and discuss the FY 2024 budget requests from the various departments this week. The full House Budget Committee also met this week and considered passage of HB 14, which is the Emergency Supplemental bill. During committee discussions, Chairman Cody Smith (R-Carthage) did make changes to the Governor's recommended 8.7% pay plan increase by removing all elected officials from that pay plan. However, he did make an adjustment from the current mileage reimbursement rate to match the federal rate which would bring the total to \$.65 per mile. His final change was to include \$250,000 for House contingent expenses. There were only two other additions made by committee members, but both were language additions. The full House dedicated floor time Thursday morning to debate HB 14, and during debate minimal changes were made to the House and Senate contingencies fund to replenish funding used during last year's special session. Once modified, the House provided its two necessary approval votes. The House is expected to revisit the bill next week and provide its final vote in order to send it to the Senate for further consideration.

Also, this week, the House Appropriations subcommittees began the mark-up process for the full budget. By next week, all of the sub-committees should have completed the mark-up for submission to the full budget committee. It is anticipated the full budget committee will meet the following week to hear the sub-committee changes, take public testimony, and have any final questions answered by the various departments.

Hearings

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

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

Key Upcoming Dates

- February 20, 2023 – Presidents Day Slightly Observed – No Session for House, the Senate is scheduled as usual
- March 1, 2023 – Last Day to File Bills
- March 9 – 20, 2023 – Legislative Spring Break
- April 10, 2023 – Easter Break – No Session
- 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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