

January 19, 2024

There are no words safe for work to accurately describe the meltdown that occurred in the Missouri senate yesterday. Lobbyists and hired guns who have been at it long before I even knew what a lobbyist was say this is the worst it has ever been. Two things I have never seen this early or at all: a senator reading from a book already filibustering simple business and requests to roll call a quorum call.

What happened? With tensions already high and grievances from the 2023 session at the surface, members of the Senate Freedom Caucus dedicated its work on the floor this week to using a rare parliamentary procedure to bring IP Reform up on the Senate floor to allow the entire 34 member Senate hear the bill as a "Committee of the Whole". This maneuver is a major departure from historical Senate protocol. On Tuesday and Wednesday, Majority Leader Cindy O'Laughlin, quickly adjourned to stop the move. On Thursday, that is not what happened. Nope.

On Thursday, Senate Pro Tem Caleb Rowden made a motion to adopt numerous Gubernatorial Appointments submitted by Governor Parson on behalf of various Boards and Commissions instead of making a motion to blow past the entire legislative process and debate the IP reform. In response, the Freedom Caucus blocked the motion and further responded with a filibuster. Before the filibuster was in full swing, several senators took to the floor to air grievances dating back to 2017. Some senators used floor time to highlight the disruption and chaos the former Conservative Caucus and now Freedom Caucus causes.

The Freedom Caucus issued a press release yesterday afternoon. Here's a highlight from it: "Until leadership shows the urgency that they have promised time and again on this matter, the Missouri Freedom Caucus is determined to block any and all proposed Gubernatorial appointments in the Senate."

Ten hours later the mayhem and filibuster ended with no consensus and the motion to approve governor appointments was withdrawn. This is not good.

All the things are below. Stay warm. Go Taylor Swift and the Kansas City Chiefs!

## **Committee Notes**

### **Senior Citizen Property Tax Credit**

The Senate Economic Development and Tax Policy Committee convened Tuesday afternoon to discuss SB 756, sponsored by Senator Tony Luetkemeyer (R-Parkville). Last year SB 190, which authorized a property tax credit on any property taxes on primary residence for people that are 65 years of age or older and eliminated taxes on social security benefits, was signed into law. There was some confusion once SB 190 passed rather than if a person had to qualify for and be eligible to receive social security benefits in order to qualify for the tax exemption. The bill seeks to clarify that any person 62 years, or older, regardless of if they qualify for benefits, is eligible for the tax exemption. Additionally, the bill clarifies that the tax credit is calculated when an

individual turns 62 and the county has also adopted an ordinance adopting SB 190. The County Executive of St. Charles County supported the bill and informed committee members that they are one of twelve counties that have already implemented a senior citizen tax freeze on a county level. The County of Greene, and MO Association of Counties also supported the bill, however advocated the need for clarification regarding implementation. Additionally, MO Tax Relief Now, Warren County Republican Committee, and a public advocate supported the bill. No opposing testimony was presented. The Cottleville Fire District provided informational testimony and stated the current language does not clearly state if the tax credits are applicable to fire protection districts and other political subdivisions that reside within a county and advocated the need to provide further clarifications.

### **Eliminating Personal Property Taxes**

The Senate Economic Development and Tax Policy Committee convened Tuesday afternoon to discuss SB 733 and SB 725, sponsored by Senator Bill Eigel (St. Charles) and Senator Denny Hoskins (R-Warrensburg). The bills are identical and seek to eliminate personal property taxes by incrementally lowering the assessment tax rates on all personal property. No supporting testimony was presented. St. Charles County Ambulance District, MO Association of Career Fire Districts, Cottleville Fire District, MO Association of County Developmental Disability Services, MO NEA, and a state public advocate opposed the bill, expressed concern with implementation, and questioned the changes in funding for each district.

### **Workers' Compensation**

The House Insurance Committee convened Wednesday morning to discuss two bills regarding worker's compensation for marijuana. HB 2135, sponsored by Representative John Voss (R-Cape Girardeau) adds marijuana to the list of drug-free workplace rule or policy adopted by an employer and reduces the compensation and death benefit by 50% if an employee's injury was sustained in conjunction with the use of marijuana against the employer's rule or policy. If the use of marijuana is the proximate cause of the injury, the benefits or compensation otherwise payable under the Workers' Compensation Act to an employee for death or disability benefits are forfeited. The legislation also says if an employee refuses to take a test for marijuana, benefits will be forfeited if there is sufficient cause to suspect the use of marijuana. HB 1990, sponsored by Representative Sherri Gallick (R-Belton) states any specific reference to marijuana or marijuana metabolites shall not apply to medical marijuana or metabolites related to medical marijuana that was legally prescribed by a licensed physician. Additionally, both bills specify an employer is not required to reimburse an employee for any cost related to medical marijuana. Committee members expressed concerns with lack of testing or threshold, the precedent the legislation could set and protecting the privacy of employees. The Missouri Insurance Coalition, Associated Industries of Missouri and the Missouri Chamber of Commerce and Industry provided supporting testimony stating there is a difference between impairment and under the influence and that the legislation will treat marijuana like alcohol in the Act as it has in the past. No opposing testimony was presented to the committee.

### **Public Employee Incentive Programs**

The House Committee on Government Efficiency and Downsizing convened Wednesday morning to consider passage of HB 1648, 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. The sponsor stated the intent of the legislation is to provide a roadmap for state agencies to provide bonuses to employees without violating the provision within the Constitution that prohibits providing incentives "beyond the fact" to public employees. Aligned provided supporting testimony stating differentiated pay would be a critical tool to help with teacher recruitment and retention. During committee discussion, substitute language was adopted to fix a typo. Once modified, the committee passed the bill by an 11-1 vote.

### **Endangerment of a Highway Worker**

The House Committee on Transportation convened Wednesday morning to discuss HB 1524, sponsored by Representative Cyndi Buchheit-Courtway (R-Festus). This bill adds striking a vehicle, trailer or other equipment owned or operated by the Missouri Department of Transportation or contractors, including a truck or trailer-mounted crash attenuator, to what constitutes "endangerment of a highway worker", and raises the fines. The families of slain MoDOT employees provided supporting testimony. No opposing testimony was presented to the committee.

### **Childcare Tax Credit**

The House Committee on Workforce and Infrastructure Development convened Wednesday afternoon to consider passage of HB 1488, sponsored by Representative Brenda Shields (R-St. Joseph). The bill establishes the "Childcare Contribution Tax Credit Act". Beginning January 1, 2025, a taxpayer may claim a tax credit for verified contributions to a childcare provider in an amount equal to 75% of the contribution. The minimum amount of any tax credit issued shall not be less than \$100 and shall not exceed \$200,000 per tax year. The tax credit has a sunset of December 31, 2030. Additionally, the bill also establishes the "Employer Provided Child Care Assistance Tax Credit Act". Beginning January 1, 2025, a taxpayer with two or more employees may claim a tax credit equal to 30% of the qualified child care expenditures paid or incurred to a childcare facility and shall not exceed \$200,000 per tax year. The tax credit has a sunset of December 31, 2030. Finally, the bill also establishes the "Childcare Providers Tax Credit Act". Beginning January 1, 2025, a childcare provider with three or more employees may claim a tax credit equal to the eligible employer withholding tax and may also claim a credit in an amount up to 30% of the capital expenditures but not if expenditures are less than \$1,000. The program has a sunset date of December 31, 2030. After no discussion, the committee passed the bill by a 10-0 vote.

The Senate Committee on Governmental Accountability convened Thursday morning to discuss SB 742, sponsored by Senator Lauren Arthur (D-Kansas City). The bill is the senate companion to HB 1488, highlighted above. The Missouri Chamber of Commerce and Industry, Jefferson City

Chamber of Commerce, BJC Healthcare, CoxHealth, Goodwill of Western Missouri, Missouri Goodwill Industries, Children's Trust Fund, Kids Win Missouri, National Association of Social Workers, Columbia Chamber of Commerce, Civic Council of Kansas City, Greater Kansas City Chamber of Commerce, City of Kansas City, United WE, Missouri Retailers Association, Missouri Grocers Association, Campaign Life Missouri, Greater St. Louis Inc., Missouri Alliance of Boys and Girls Club, Missouri Economic Development Council, Missouri Hospital Association, Child Care Aware of Missouri, University Health, JE Dunn Construction Company, Aligned Missouri, a daycare owner and operator and Catholic Charities of Missouri provided supporting testimony. No opposing testimony was presented to the committee.

### **MO Bucks Program**

The Senate Committee on Insurance and Banking convened Wednesday afternoon to discuss SB 736, sponsored by Senator Cindy Crawford (R-Buffero). This is the Senate companion bill to HB 1803, sponsored by Representative Terry Thompson (R-Lexington), which raises the aggregate amount the state treasurer may invest in linked deposits with a cap of \$1.2 billion. The current cap is \$800 million. The bill also changes the calculation basis from "dollars" to "percentages". State Treasurer Vivek Malek provided supporting testimony stating the cap needs to be removed as the demand is higher than the current cap and the first cap of \$120 million was reached on the first day the program opened. Additional supporting testimony was provided by the Missouri Bankers Association, Missouri Chamber of Commerce and Industry, FCS Financial, Missouri Farm Bureau, Missouri Independent Bankers Association and Associated Industries of Missouri. No opposing testimony was presented to the committee.

### **State Collection Policies**

The Senate Committee on Government Accountability convened Thursday morning to discuss SB 848, sponsored by Senator Lincoln Hough (R-Springfield). The bill prohibits a state agency from beginning any action to collect penalties or fees, as well as any overpayment or underpayment due to the agency's error, until all administrative remedies have been exhausted. No supporting or opposing testimony was presented to the committee.

### **Tidbits**

- TAB, an international manufacturer of industrial batteries, announced Wednesday it will establish a \$15 million, 66,700-square-foot headquarters and assembly facility in Liberty, creating 50 new jobs. The company's new location, its first in North America, will give the ability to quickly distribute products throughout North and South America. The facility is projected to open mid-summer of 2024, with plans for additional investments over the first five years of operation.
- A civilian-led response team has been launched in St. Louis to help answer 911 calls involving those in a mental health crisis. It is the first time in the region behavioral specialists are being sent out to low-level calls without the assistance of police. The Community Centered Crisis Response Team is made up of 20 civilians who are dispatched to non-emergency calls to assist those dealing with mental struggles. So far, the team has responded to 21 calls for assistance.

- The House Committee on Government Efficiency and Downsizing convened Wednesday morning to consider passage of HB 1511, sponsored by Representative Jim Murphy (R-St. Louis). The bill requires political subdivisions that require the installation of electric vehicle (EV) charging stations at certain businesses to pay the costs associated with the installation, maintenance, and operation of such stations. Additionally, the bill caps any political subdivision from requiring more than five EV stations per parking lot. As written, the bill currently only applies to St. Louis City and St. Louis County. During committee discussion, substitute language was adopted to remove language prohibiting school districts from installing their own charging stations in the event they move to electric buses. Additionally, the committee substitute removes language limiting the provisions to only St. Louis City and County in order to apply the provisions to the whole State. Once modified, the committee passed the bill by an 8-4 vote

### **Budget Update**

The House Subcommittee on Appropriations-General Administration convened this week to complete the department presentations for FY2024 Supplemental requests and FY2025 Budget requests. The Governor's Executive Budget will be presented next week during the State of the State Address. Once this has been released, the various sub-committees will decide whether additional information is needed from the various departments or if the sub-committee recommendation process may begin. After the sub-committee recommendations have been completed, the full Budget Committee will begin to meet.

Of particular interest this week, the Senate Committee on Appropriations convened to discuss SB 748, sponsored by Senator Lincoln Hough (R-Springfield). Currently, there is a two year sunset on the Ground Ambulance, Nursing Facility, Medicaid Managed Care Organization, Hospital, Pharmacy, and Intermediate Care Facility for the Intellectually Disabled federal reimbursement allowances. The bill removes the sunset entirely. The sponsor stated he removed the sunset as this is a critical program and having to revisit it every year or two can impact the Medicaid program. The Missouri Hospital Association, Associated Industries of Missouri, Missouri Retailers Association, Missouri Grocers Association, Missouri Pharmacy Association, College of Emergency Physicians, Freeman Hospital, Fire Service Alliance, Missouri Assisted Living Facility Association, Preferred Family Health, Missouri Healthcare Association, Missouri Society of Anesthesiologists, Missouri College of Obstetricians and Gynecologists, Health Forward Foundation, BJC Healthcare, Ambulance District Association, CoxHealth, Missouri Association of Rural Health Clinics, Ranken Jordan Pediatric Hospital, SSM Health, Mercy Hospital, Missouri Chamber of Commerce and Industry, Missouri Budget Project, Children's Mercy Kansas City, provided supporting testimony stating this tax helps to create matching federal funds which generates over \$4.3 billion and concerns were raised that pro-life language would definitely result in lawsuits and cause delays in funding for critical programs. Missouri Right to Life provided opposing testimony stating the pro-life language is essential to protect life and no taxpayer dollars should go towards Planned Parenthood. Thursday morning the committee re-convened to consider passage of the bill. After a brief discussion regarding the lack of addition of pro-life language the bill passed by a 12-1 vote.

## **State of the State**

Friendly reminder: Governor Parson's state of the state address is on Wednesday, January 24 at 3pm. This is when he rolls out his budget recommendations and policy priorities. You can tune in on Governor Parson's popular Facebook page and the House [website](#). If this doesn't have you moving your calendar around to tune in, don't worry. Cass and I will have a full report.

## **Upcoming Hearings**

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

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

## **Key Upcoming Dates**

- January 24, 2024- State of the State Address
- February 7, 2024 – State of the Judiciary
- February 19, 2024 – President's Day – IN SESSION
- March 1, 2024 – Last day of bill filing
- March 18-22, 2024 - Legislative Spring Break
- April 1, 2024 – Easter Break – No Session
- April 2, 2024 – General Municipal Elections
- May 10, 2024 – Last Day to Constitutionally pass the FY 2025 Budget
- May 17, 2024 – Last Day of the 2024 Legislative session
- August 6, 2024 – Missouri Primary Elections
- September 11, 2024 – Veto Session
- November 5, 2024 – Missouri General Elections

--

Brittany Robbins  
Strategic Capitol Consulting (SCC)  
Chief Operating Officer, Communications  
314-712-8646  
[brittany@strategiclobby.com](mailto:brittany@strategiclobby.com)  
[www.strategiclobby.com](http://www.strategiclobby.com)