

January 27, 2023

The snow, drag shows, transgendered children's participation in sports, banning gender-affirming health care for minors and bills limiting access and rights for the LGBTQ community drove the narrative this week.

Hearings are in full swing and bills are being voted out of committees. Expect floor debate to start next week! Your committee notes, a recap of the week and our usual tidbits are below.

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

Committee Notes

Biweekly Pay

The House General Laws Committee met Tuesday evening to discuss HB 131, sponsored by Representative Dave Griffith (R-Jefferson City). The bill allows the salaries of public (state) employees to be paid on a biweekly basis, as determined by the Office of Administration. During committee discussions, the bill sponsor emphasized that during months where current pay periods fall on weekends, state employees may be subject to multiple weeks between pay periods. Proponents of the legislation sighted the ability of the bill to pay state employees 26 pay periods versus the current 24, and that the bill was an avenue for workforce attraction. Testimony in support was provided by the Missouri Active & Retired State Employees Association (ARMSE) and the Office of Administration. There was no testimony in opposition.

The Senate Fiscal Oversight Committee convened Thursday morning to discuss SB 111, sponsored by Senator Mike Bernskoetter (R-Jefferson City). The bill is the Senate companion to HB 131, highlighted above. Committee discussion and testimony mirrored that of the House committee.

Personnel Advisory Board

The Senate Committee on Government Accountability convened Thursday morning to discuss SB 110, sponsored by Senator Mike Bernskoetter (R-Jefferson City). The bill abolishes the Personnel Advisory Board and bestows all duties and responsibilities to the Commissioner of Administration. The Office of Administration provided supporting testimony, stating no new member had been appointed to the committee since 2009 and the board was formed in 1943 before the Office of Administration existed and is no longer necessary. There was no opposing testimony presented to the committee.

Dead animals from roads and highways

The House Transportation Accountability Committee convened Thursday morning to discuss 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 the bill presentation, Representative Haden informed the committee that the MO Department of Transportation will pick up and bury dead animals on conservation land, and that the MO Department of Conservation will pay the MO Department of Transportation for the labor. During committee discussion, committee members expressed concern regarding the safety of picking up dead animals and the need for additional training. Additionally, committee members questioned rules and regulations on burying animals near water sources. The Missouri Farm Bureau provided supporting testimony. No opposing testimony was presented. The Missouri Department of Transportation provided informational testimony on the fiscal note, and the Missouri Department of Conservation provided informational testimony regarding chronic waste disease with deer.

Tax Exemptions for Social Security Benefits

The House Special Committee on Tax Reform convened Tuesday afternoon to discuss three bills that in varying ways relate to Social Security Benefits. Specifically, HB 156 and HB 662, sponsored by Representative's Mike O'Donnell (R-St. Louis) and David Evans (R-West Plains) are identical and would allow a deduction of 100% of Social Security benefits from their Missouri taxes regardless of filing status or

adjusted gross income and redefines what benefits are included. During committee discussion, Representative O'Donnell informed the committee that 38 other states currently exempt Social Security benefits from state taxes and Missouri is classified as an "unfriendly" state to retirees. Committee members questioned if the sponsors would be open to lowering the income threshold so low-income seniors could also benefit from the legislation. AARP provided supporting testimony stating no citizen should be taxed on Social Security benefits. Missouri Budget Project opposed the bill and stated given the high fiscal note it will still not benefit 82% of Missouri citizens collecting Social Security benefits.

The committee then turned its attention to HB 456, sponsored by Representative Jeff Coleman (R-Grain Valley). This bill allows a deduction of 100% of Social Security benefits from their Missouri taxes. Committee discussion and testimony mirrored the above.

Unemployment Benefits

The Senate General Laws Committee convened Wednesday afternoon to discuss SB 21, sponsored by Senator Mike Bernskoetter (R-Jefferson City). The bill ties the maximum time an individual may receive unemployment benefits to the Missouri average unemployment rate and becomes effective January 1, 2024. The Missouri Chamber of Commerce and Industry, Opportunity Solutions Project, NFIB, Associated Industries of Missouri, Missouri Grocers Association, and MO Retailers Association provided supporting testimony. Missouri AFL-CIO opposed the bill, stating this legislation would not affect all areas of industry equally and could negatively impact low-income families.

Restrictions on State Appropriations

The Committee on Fiscal Oversight convened Thursday morning to discuss SJR 7, sponsored by Senator Bill Eigel (R-St. Charles). Upon voter approval, the resolution would place a restriction on new state appropriations in total state government spending each year from exceeding the previous fiscal year, with some flexibility provided for the rate of inflation and change in population. During committee discussion, it was noted the fiscal note was near \$8 billion and would severely limit the ability of the state to respond to changing financial landscapes in future General Assemblies. No supporting testimony was provided. AFT of Missouri, MO Budget Project, Missouri NEA, and AARP of Missouri opposed the resolution.

Tidbits

Gubbies: On Monday, Governor Mike Parson announced seven appointments to various boards and commissions. **Tim Francka**, of Bolivar, was appointed to the **Missouri State University Board of Governors**. **Lisa Newcomer**, of Jackson, was appointed to the **Missouri Board for Respiratory Care**. **Tameka Randle**, of Cape Girardeau, was appointed to the **Missouri Housing Development Commission**. **David Sater**, of Cassville, was appointed to the **Coordinating Board for Higher Education**. **Jeff Schrag**, of Springfield, was appointed to the **Missouri State University Board of Governors**. **Harry Thompson**, of Lohman, was appointed to the **Air Conservation Commission**. **Chris Williams**, of Carl Junction, was appointed to the **Missouri Mining Commission**.

On Tuesday, Governor Mike Parson announced that the Department of Economic Development is awarding \$261 million through the ARPA Broadband Infrastructure Grant Program to 60 recipients for projects that will expand and improve internet access statewide. Projects receiving funds are expected to create more than 55,000 connections in locations that previously lacked adequate internet access. The ARPA Broadband Infrastructure Grant Program, administered by DED's Office of Broadband Development, was launched in August 2022 to invest in broadband expansion. The program awarded competitive grants to a wide range of applicants, including traditional internet providers as well as electric and telephone cooperatives. The program prioritized unserved and underserved areas. Funds will be used to build new connections that will deliver symmetrical speeds of 100 Mbps upload / 100 Mbps download or greater.

On Tuesday, Governor Mike Parson announced that the Department of Economic Development is awarding \$30 million through the ARPA Workforce Training Grant Program. The program is focused on helping companies address workforce shortages by recruiting and training thousands of Missourians. The ARPA Workforce Training Grant Program, funded through the American Rescue Plan Act (ARPA), was launched in August 2022. The program awarded competitive grants to a wide range of applicants and will train workers for a variety of industries including childcare, health care, broadband deployment, manufacturing, and more. The grant is also aimed at helping those who need it most, encouraging recipients to train at-risk and low-income populations.

Budget Update:

The Budget Sub-Committees began hearing from the various state departments this week and the full House Budget Committee met to hear a presentation from Budget Director Dan Haug regarding the Emergency Supplemental (HB 2014), the regular Supplemental (HB 2015), and the ARPA Funding spending plan (HB 2020). The Senate Appropriations Committee also began to hear from the various departments regarding the Governor's budget recommendations.

The Emergency Supplemental (HB 2014) consisted of mostly language corrections to ensure appropriation authority for various programs, an 8.7% increase for state workers and a \$2 pay differential for those working evening and night shifts for specific departments, and a grant program for school districts to implement safety measures within their schools. The Second Supplemental (HB 2015) contained funding for programs that fell short of spending or authority needs for FY 2023. However, it did contain some new spending items such as an additional \$500,000 for the 988 hotline, an additional \$5.6 million for the administration of the Adult use Cannabis program, an additional \$2.5 million for staff to assist in the expungement of records for those convicted of recreational marijuana use, and an additional \$1.6 million for the Department of Health and Senior Services to resume recertification surveys for long-term care facilities. During the presentation from Dan Haug to the full House Budget Committee it was noted that HB 20 only contained three new items as the majority of the ARPA funding has already been allocated for various programs. The new items include \$2 million to modernize Missouri Job Centers, \$3 million for a project at Crowder College, and \$2.1 million to continue the pay raise state workers received last year. All other funding contained in HB 20 is a continuation of funding and projects approved in the Fiscal Year 2023.

Hearings:

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

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

Key Upcoming Dates:

- February 8, 2023 – State of the Judiciary
- February 20, 2023 – Presidents Day Observed – No Session
- 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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