



January 6, 2023

We're back, y'all. But, I am not sure we really left! The interim was a busy season due to 2024 being an election year, and we were reminded of that yesterday.

The House and Senate convened on Wednesday to officially kick off the 2024 regular legislative session and it did not take long for sparks to fly in the senate. Old and new grievances quickly surfaced. A summary of the short week, a look ahead and housekeeping items are below.

We look forward to working with you again this session. As always, please don't be a stranger. We are available! Thanks for your time, friendship and happy New Year!

### **State Employee Budget Update**

The House Subcommittee on Appropriations-General Administration convened Wednesday morning to receive presentations from the Office of Administration (OA), the General Assembly (GA), the State Auditor (SAO) and the State Treasurer (STO) regarding their FY2024 Supplemental budget requests and their FY2025 budget requests. Chairman Scott Cupps announced the committee would be focusing on department initiatives and New Decision Items (NDIs) and the committee would be reconvened at a later date to receive in-depth answers to their questions and receive public testimony. The committee will convene again next Tuesday to hear from the remaining Statewide, except for the Attorney General who will be in Washington next week.

The committee also spent time discussing the need for an additional hearing regarding the status of IT projects and the monetary commitments made over the last five years. The committee also asked for updated information on the number of contracts and vendors utilized by the state Information Technology Services Division (ITSD). The NDIs for presented budgets total \$271,853,335 GR, Federal and Other Funds.

*NDIs of Interest:* (Several of the NDIs in this book involve making simple fund swaps as ARPA dollars have been diminished and to increase debt service.)

- \$35,729,873 GR to Other for an expected MOSERS rate increase which will increase the corresponding transfer into MOSERS
- \$39,100,683 GR to Other for an expected Missouri Consolidated Health Care Plan (MCHCP) rate increase which will increase the corresponding payments from MCHCP
- \$437,162 GR for implementation of SCR 7 passed in 2023 and creates the America 250 Missouri Commission. The Commission's principal purpose is to plan, promote and implement public celebrations and commemorations of the 250th Anniversary of the Declaration of Independence and the 250th Anniversary of the United States of America
- \$35,500 GR for critical state/national economic data and information regarding best budgeting practices – this data is used in developing the consensus revenue estimate (CRE)
- \$23,031,473 GR for ongoing funding related to the Digital Government Transformation Project
- This includes ongoing funding for ServiceNow
- This includes ongoing funding for Mulesoft

- This includes ongoing funding for LexisNexis
- This includes ongoing funding for Workforce User LifeCycle Management
- This includes ongoing funding for Enterprise Network Access Controls
- This includes ongoing funding for Enterprise Data Loss Prevention
- \$16,020,000 GR for ongoing funding related to the Digital Government Transformation Project – this is to provide full failover capability of all applications in case of a disaster or equipment failure or malfunction
- \$14,475,476 GR for ongoing funding related to the Digital Government Transformation Project – this is to purchase statewide licensing for Microsoft Office 360 (It should be noted Chairman Cupps is not thrilled with the existing contract and wants to see if long-term changes may be made)
- \$1,580,000 GR for an IT Asset Management System to accurately track all IT assets across their lifetime
- \$27,870,769 GR for ongoing funding related to the Digital Government Transformation Project
- This includes continuing to modernize both the Citizen Portal and the Business Portal
- This will include a partnership with Operational Excellence to enhance the User Experience and Process Improvement portion of the portals
- \$3,310,000 GR for the Geospatial Information System (GIS) for Infrastructure expansion as the state has experienced significant growth and dependency on the GIS
- \$8,000,000 GR for ongoing funding related to the Digital Government Transformation Project – to continue to utilize and implement the Citizen Journey programs

### **House and Senate Floor Summary**

The House and Senate convened Wednesday afternoon for the start of the 2<sup>nd</sup> Regular Session of the 102<sup>nd</sup> General Assembly. Typically, the first day of session is filled with optimism and comradery however, both chambers got off to a rocky start. The Missouri Senate picked up where it had left off when they adjourned last May, with intra-caucus and intra-chamber disagreements. As you recall, over the past three years, a group of GOP senators had aligned as the “Conservative Caucus”. This year the group has rebranded as the “Freedom Caucus”, stating their purpose isn’t to impede but rather to advocate for conservative principles that should be the priority of a Republican-dominated General Assembly.

Senate Pro Tem Caleb Rowden started the day by urging Senate members not to follow in the dysfunctional footsteps of previous years. In response, the small coalition of Freedom Caucus members dedicated more than an hour opening day to vent frustrations with the chamber’s leadership and highlighted the failed advances of party priorities such as taxes, education reform, and gun rights. Meanwhile, in the House chamber, House Speaker Dean Plocher dedicated time urging House members to “put statesmanship and the welfare of the people before playing politics and personal interest.”

Another thing to note is, there are five state executive office’s up for election in Missouri: Governor; Lieutenant Governor; Attorney General; Secretary of State; and Treasurer. With this being several elected officials last term, there are currently fifteen state representatives facing off in the August primary for Senate seats and five current senators vying for statewide office. Complicating matters even further, medical provider taxes that are vital to sustaining the state’s Medicaid program expire this year. As you recall, the last time the taxes needed to be renewed, the issue derailed the Senate and required a special legislative session during the summer of 2021. Between GOP infighting, ongoing ethics investigations into Speaker Dean Plocher, and election year politics hanging over both chambers, the hope for productivity and comradery aren’t anticipated for this session.

Some additional hot topics being considered by the Legislature this year include: reexamining the state reassessment process and property tax reform; improve public safety; police officer recruitment and retention; initiative petition and election reform; limiting foreign ownership of Missouri farmland; expanding school choice options in the state and creating a Parent's Bill of Rights; and authorizing sports betting.

While there are several heavy lifts for the upcoming session, the only thing that is certain is, the House and Senate have until 6:00pm on May 17<sup>th</sup> to Truly Agreed and Finally Pass any legislation before they are Constitutionally required to adjourn sine die.

### Capitol Hill

Congressman Blaine Luetkemeyer (MO-3) Announces Retirement

Congressmen Luetkemeyer will not run for re-election and retire at the end of 2024. He has served in Congress since 2009.

Potential replacements being shopped: Bob Onder, Mary Elizabeth Coleman, Rob Vescovo, Nick Schroer, Dave Schatz...

### Tidbits

- December tax receipts are about the same total from one year ago, up only .61%. That still puts the fiscal year-to-date number for general revenue collection at a negative -1.68%. A big drop in general revenue could put a damper on tax cut talks, or any new spending plans that will be unveiled in Governor Mike Parson's January 24 State of the State address.
- On Tuesday, Governor Mike Parson announced two appointments to the State Highway and Transportation Commission. Former Senator **Daniel (Dan) Hegeman**, of St. Joseph, currently serves as senior community business manager at Evergy and co-owner of Hegeman Farm, Inc. Also appointed was **Francis Slay**, of St. Louis, who currently serves as executive director for the St. Louis Regional Crime Commission.
- During a press conference Tuesday afternoon, Governor Mike Parson announced he has issued Executive Order 24-01, which bans individuals and businesses from nations designated as foreign adversaries from purchasing agricultural land within a 10-mile radius of critical military facilities in the State of Missouri. Nations currently classified as foreign adversaries include China, Cuba, Iran, North Korea, Russia, and Venezuela. A full version of the Executive Order may be found **here**.
- The Department of Economic Development announced Wednesday they have granted more than \$7.9 million in the second phase of the "Cell Towers Grant Program." This program is funded through ARPA and allows 14 new projects to be established throughout the state. Along with cell phone service, the program aims to improve 911 connectivity.
- The Department of Social Services announced a tentative decision to participate in a federal food assistance program for kids, potentially opening the door for millions of dollars in aid through a program called Summer EBT. The announcement is nonbinding and Missouri still has to submit a detailed plan to the federal government on how it plans to run the program and secure the necessary administrative funds. The deadline for states to submit a detailed management and administration plan to the federal government is February 15<sup>th</sup>.
- On Thursday, the Department of Conservation announced Director Sarah Parker Pauley will retire on July 1 after a 30-year career in public service that began as a policy coordinator at MDC and ended as the first female director of the agency when she took the position in November 2016. The Conservation Commission will launch an executive search in February to recruit MDC's next director to ensure a smooth transition and continuity of leadership before Pauley's retirement July 1.

## **House and Senate Leadership Refresher:**

### **Senate Leadership**

#### **Republicans**

*President Pro Tem* – Senator Caleb Rowden (R-Columbia)  
*Majority Floor Leader* – Senator Cindy O’Laughlin (R-Shelbina)  
*Assistant Majority Floor Leader* – Senator Jason Bean (R-Pemiscot)  
*Majority Caucus Whip* – Senator Karla Eslinger (R-Wasola)  
*Majority Caucus Chairman* – Senator Tony Luetkemeyer (R-Parkville)  
*Majority Caucus Secretary* – Senator Sandy Crawford (R-Buffalo)

#### **Democrats**

*Minority Floor Leader* – Senator John Rizzo (D-Kansas City)  
*Assistant Minority Floor Leader* – Senator Doug Beck (D-St. Louis)  
*Minority Caucus Chairwoman* – Senator Angela Mosley (D-Florissant)  
*Minority Caucus Whip* – Senator Steven Roberts (D-St. Louis)

### **House Leadership**

#### **Republicans**

*Speaker of the House* – Representative Dean Plocher (R-St. Louis)  
*Speaker Pro Tem* – Representative Mike Henderson (R-Bonne Terre)  
*Floor Leader* – Representative Jon Patterson (R-Lee’s Summit)  
*Assistant Floor Leader* – Representative Jamie Burger (R-Scott)  
*Caucus Chair* – Representative Chris Dinkins (R-Lesterville)  
*Majority Whip* – Representative Hardy Billington (R-Poplar Bluff)  
*Majority Secretary* – Representative Ann Kelley (R-Lamar)

#### **Democrats**

*Minority Floor Leader* - Representative Crystal Quade (D-Springfield)  
*Assistant Minority Floor Leader* - Representative Richard Brown (D-Kansas City)  
*Minority Caucus Whip* – Representative Ashley Aune (D-Kansas City)  
*Minority Caucus Chair* – Representative Ingrid Burnett (D-Kansas City)  
*Minority Caucus Vice-Chair* – Representative Emily Weber (D-Kansas City)  
*Minority Caucus Secretary* – Representative Gretchen Bangert (D-Florissant)  
*Minority Caucus Policy Chair* – Representative Jamie Johnson (D-Kansas City)

### **Full House and Senate Rosters**

Full House and Senate member rosters with their office and telephone numbers can be found through the below links. If you would like Word or Excel versions of these rosters, please do not hesitate to reach out and we will provide those to you.

- **House Member Roster**
- **Senate Member Roster**

### **Upcoming Hearings of Interest:**

**01/09/2024 8:15 AM House-Appropriations-General Administration Committee Hearing, HR 3**

\*\* REVISED to ADD ATTORNEY GENERAL \*\*

The Governor, Lt. Governor, Secretary of State, \*Attorney General, Judiciary, Public Defender and Real Estate will be presenting their FY 25 department budget requests and FY 24 supplemental budget requests.

**01/10/2024 10:30 AM Senate-Gubernatorial Appointments Committee Hearing, Senate Lounge**

MEETING TIME: 10:30 a.m. or upon morning adjournment, whichever is later

Appointments:

- Carole L. Iles, as a member of the Administrative Hearing Commission (Rowden)
- Timothy Root, as a member of the Board of Cosmetology and Barber Examiners (Rowden)
- Elizabeth (Libby) Youse, as a member of the Board of Nursing Home Administrators (O'Laughlin)
- Al Li, Independent, as a member of the Missouri Commission on Human Rights (Koenig)
- Kerry Robinson, Independent, as a member of the Southeast Missouri State University Board of Governors (Koenig)
- Ray Wagner, Republican, as a member of the Conservation Commission (Koenig)
- Phyllis A. Chase, Democrat, as a member of the University of Central Missouri Board of Governors (Arthur)
- Mick Campbell, as the Commissioner of Finance for the Department of Commerce and Insurance (Bernskoetter)
- Chad Hartman, as a member of the Missouri 911 Service Board (Bernskoetter)
- Kenneth C. Jones, as a member of the Missouri State Capitol Commission (Bernskoetter)
- Lacey Brumley, as a member of Missouri Board of Occupational Therapy (Brown-16)
- Melissa A. Gourley, Independent, as a member of the Missouri State University Board of Governors (Brown-16)
- Gary Polk, Republican, as the Dent County District Two Commissioner (Brown-16)
- Bill Grimwood, Independent, as a member of the Missouri Western State University Board of Governors (Luetkemeyer)
- Brittney Southworth, Independent, as a member of the Missouri Commission on Human Rights (Gannon)
- Darren Harris, as a member of the State Board of Pharmacy (Bean)
- Dr. Ian Fawks, Republican, as a member of the State Board of Registration for the Healing Arts (Trent)
- Ken Teague, as a member of the Petroleum Storage Tank Insurance Fund Board of Trustees (Trent)
- Jonathan L. Held, as a member of the Missouri Wine and Grape Board (Brown-26)
- Hadley Oden, as the Student Representative to the University of Central Missouri Board of Governors (Brown-26)
- Ronald L. Hack, as a member of the Missouri 911 Service Board (McCreery)
- Gregory J. Sacks, Republican, as a member of the Elevator Safety Board (McCreery)

Reappointments:

- Jonas P. Arjes, Republican, as a member of the Missouri Development Finance Board (Eslinger)
- Brent Thomas Buerck, Republican, as a member of the Missouri Development Finance Board (Thompson Rehder)
- Jessica L. Craig, Republican, as a member of the Missouri Development Finance Board (Bernskoetter)
- John Clark Hemeyer, Democrat, as a member of the State Lottery Commission (O'Laughlin)
- C. Phillip Hoffman, Independent, as a member of the Coordinating Board for Higher Education (Black)
- Lance Mayfield, Democrat, as a member of the State Lottery Commission (Thompson Rehder)
-

## **Key Upcoming Dates**

- January 15, 2024 – MLK Day – No Session
- January 24, 2024- State of the State Address
- 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