

March 24, 2022

We're back after a brief break and cooler heads have prevailed. On Monday and Tuesday, the Senate perfected multiple bills. On Wednesday, it took a slight detour. Members were once again gridlocked due to differing opinions on vaccines, religious beliefs and a congressional district map. After working through Wednesday night and into Thursday morning, members finally came to an agreement and perfected their version of the state's congressional districts map this afternoon. The House continues to keep on keeping on.

New Greitens Allegations

A sworn affidavit by former Missouri Governor Eric Greitens' ex-wife Sheena Greitens was made public this week for 24 hours. In the affidavit Sheena Greitens makes claims of physical abuse against her and their older child. News of the allegations generated responses from all of the candidates running to replace Senator Roy Blunt in the United States Senate.

At the time of this report, Eric Greitens remains a candidate in the race and has accused his ex-wife of lying and struggling with mental illness. Greitens has been the frontrunner in the 18-person Republican primary since announcing his candidacy. He resigned as Governor after only serving two years after being accused of assaulting and blackmailing his girlfriend, stealing from his charity and violating ethics laws.

Your committee and floor notes from the week are below. Please let us know if you have any questions, concerns or feedback. Thanks for your time and have a great weekend!

Your Floor and Committee Notes

Retirement System Modifications

The House Pensions Committee convened Wednesday morning to discuss HB 2161 and HB 2430, sponsored by Representatives Chris Dinkins (R-Lesterville) and Rusty Black (R-Chillicothe), respectively. The bills allow 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%. Additionally, HB 2161 contains an emergency clause. During the bill presentation, the sponsors stated the legislation is an attempt to address teacher shortages and the legislation creates an avenue to help retain experienced teachers in the classroom. The proposals create a savings for the PSRS system due to teachers continuing contributions, not drawing from the system, and delaying COLA application for years while still teaching. PSRS, MRTA, MO State Teachers Association, MO NEA, presented supporting testimony. No opposing testimony was presented.

Unemployment Automation Fund

The House Workforce Development Committee convened Monday afternoon to consider passage of HB 2290, sponsored by Representative Allen Andrews (R-Grant City). The bill requires employers who are required to pay unemployment taxes to contribute .02% from taxable wages to an annual unemployment automation adjustment. After no discussion, the committee passed the bill by a 9-0 vote.

Motor Fuel Sales Tax Holiday

The House Special Committee on Government Oversight convened Tuesday afternoon to discuss HB 2801 and HB 2813, sponsored by Representatives Adam Schwadron (R-St. Charles) and Travis Fitzwater (R-Holts Summit), respectively. The bill's grant a one-time six-month sales tax exemption on all motor vehicle fuel purchases in Missouri. The bill also contains an emergency clause. No supporting testimony was provided. MoDOT, Missouri Limestone Producers Association, and Missouri Asphalt Association opposed the bill and informed committee members the tax holiday would impact federal matching funds, which could create up to a \$3 billion loss for road projects. The Missouri Petroleum Marketers and Convenience Store Association provided informational testimony regarding the tax collection process and suggested the language be adjusted to allow for a tax refund for the prepayment of fuel taxes.

Legislative Control over MoDOT Funding

The House Special Committee on Government Oversight convened Tuesday afternoon to discuss HJR 137, sponsored by Representative J. Eggleston (R-). Upon voter approval, this proposed Constitutional amendment would place any future gas tax under the Hancock amendment. During the bill presentation, the sponsor stated his intent is to close any loopholes regarding what constitutes a state revenue for future legislators. No supporting or opposing testimony was presented.

State Road Fund and the Department of Conservation

The House Special Committee on Government Oversight convened Tuesday afternoon to consider passage of HJR 134, sponsored by Representative Jered Taylor (R-Republic). Upon voter approval, this proposed Constitutional amendment subjects the State Road Fund to appropriation by the General Assembly as well as subject funding for the Conservation Commission and Department of Conservation to appropriation by the General Assembly. During committee discussion, substitute language was adopted to remove the Department of Conservation funding control. Once modified, the committee passed the bill by a 10-3 vote.

MoDOT and Highway Patrol Retirement

The House dedicated floor time Thursday morning to debate HB 1984, sponsored by Representative Barry Hovis (R-Cape Girardeau). The bill modifies the Board membership of the Missouri Department of Transportation and Highway Patrol Employees' Retirement System by having the terms of the active employee representatives serving on the Board on August 28, 2026, to continue an additional two years until June 30, 2028, and alters the terms to four years. After no debate, the House passed the bill consent, by a 148-0 vote. The bill now will be sent to the Senate for further consideration.

Tidbits

- The Senate Agricultural, Food Production, and Outdoor Resources Committee convened Monday afternoon to discuss SB 675 and SB 905, sponsored by Senators Justin Brown (R-Rolla) and Denny Hoskins (R-Warrensburg), respectively. The bills establish the "Missouri Rural Workforce Development Act" and create tax incentives for investing in businesses located in rural areas. The tax credits are equal to the percentage of the fund investment, with no more than \$25 million dollars in total combined tax credits authorized per year. The objective is to address the growing unemployment rate in rural areas and the adverse impact it has on rural communities. Advantage Capital, Associated Industries of MO, MO Soybean Association, MO Realtors Association, MO Association of Electric Cooperatives, and MO Chamber of Commerce and Industry supported the bill. No opposing testimony was presented.
- This week, the Department of Natural Resources Missouri State Energy Plan (MoSEP) announced the initiatives which will be in Cycle 1 of the MoSEP process. Stakeholder meetings have taken place over the last six months and out of those meetings, two types of initiative workgroups have been identified to create Summary and Action Reports and further develop other initiatives for consideration during Cycle 2. The workgroups will focus on streamlining solar permitting, electric vehicles, residential energy efficiency for real estate valuation, energy training and installation at schools, Missouri metals and battery storage, biofuels, renewable natural gas and hydrogen hub, commercial energy efficiency education, and knowledge exchanges. The full report and announcement may be found [here](#).
- The House Special Committee on Government Oversight convened Tuesday afternoon to discuss HB 2685 and HB 2686, sponsored by Representatives Brad Hudson (R-Cape Fair) and Doug Richey (R-Excelsior Springs), respectively. The bill's modify the RFP process used by the Commissioner of Office of Administration. During the bill presentation, the sponsor's stated their intent is to reform the RFP process and understand changes would need to be made to the bill. The Missouri Chamber of Commerce and Industry provided supporting testimony. No opposing testimony was provided.
- On Tuesday, the Missouri Agribusiness Association announced they have endorsed Lt. Governor Mike Kehoe (R-Jefferson City) for governor in 2024. This is the third major agriculture group that has endorsed Lt. Governor Kehoe after the Missouri Cattlemen Association and Missouri Soybean Association. Lt. Governor

Kehoe announced his bid for governor in March of 2021, and as of January, had raised more than \$1.5 million for the race.

- On Tuesday, Missouri's new acting health director Paula Nickelson spoke with lawmakers in front of the House Health and Mental Health Policy Committee for the first time since her appointment. Director Nickelson provided her insights into her evaluation of COVID-19 and key programs and initiatives in the state. Director Nickelson outlined a Department of Health and Senior Services that under her leadership would focus on rebuilding the public health sector, update key infrastructure and technology, and continue monitoring the pandemic while addressing other lagging health metrics. She noted the department had joined an "inter-agency planning group" in late 2021 with other state departments in order to set goals and
- The Senate Commerce, Consumer Protection, Energy and Environment Committee met Wednesday morning to discuss HB 1686, sponsored by Representative Bill Hardwick (R-Waynesville). The bill prohibits a public entity or person from requiring a COVID-19 vaccination for conditions of employment and further prohibits an employer from imposing a fine, tax, or criminal or civil penalty based on a person's COVID-19 vaccination status. The bill also adds additional protections to those entities governed by CMS to ensure federal funds are not affected. No supporting testimony was provided. MO Associated Industries of MO, MO Chamber of Commerce and Industry, Greater Kansas City Chamber of Commerce, and MO State Medical Association opposed the bill and stated employees do not need to be legislated and vaccine mandates should be left up to individual employers.
- The Senate Commerce, Consumer Protection, Energy and Environment Committee met Wednesday morning to discuss HB 2358, sponsored by Representative Dave Evans (R-West Plains). This legislation requires employers to make reasonable accommodations for COVID-19 vaccine mandates for those employees who hold sincerely held beliefs. If a COVID-19 vaccine is required, any resulting injuries would be considered an occupational disease. Refusal to take a COVID-19 vaccine for religious/ conscientious reasons does not disqualify an individual from unemployment compensation. During the bill's House progression, the bill was amended to include language from HB 1861, regarding organ donations being allowed regardless of vaccine status. No supporting testimony was provided. MO Associated Industries of MO, MO Chamber of Commerce and Industry, Greater Kansas City Chamber of Commerce, and MO State Medical Association opposed the bill.
- Governor Mike Parson announced Thursday morning that Meta Platforms, Inc. (Meta), formerly known as Facebook, Inc., will locate a nearly one million-square-foot data center in Kansas City, investing more than \$800 million and supporting up to 100 jobs. The data center, a first of its kind in Missouri, is expected to be operational in 2024 and will be located in Kansas City's Golden Plains Technology Park. The site will be supported by 100 percent renewable energy, ranking it among the most sustainable data centers in the world.

Budget Update

There was no movement on either the FY2022 second supplemental bill or the FY2023 budget from the House Budget Committee this week. The Senate Appropriations Committee did convene Wednesday morning to review the numerous tax credit programs administered within the various departments. The tax credit program review moved fairly quickly, although members asked to see listings of those receiving agricultural tax credits for the last two years. Surprisingly, there was no discussion regarding the LIHTC program.

A representative from the Office of the Treasurer failed to appear to present the Empowerment Scholarship Program to the committee, so the committee is going to recommend de-authorizing that tax credit program.

Lastly, the Senate Appropriations Committee heard a brief presentation from the MO Lottery Commission. During the presentation, some committee members expressed concern the \$400,000 advertising budget was not being utilized properly while others expressed concerns the budget was too low to effectively communicate new promotions to improve the return on investment to fund education.

Key Upcoming Dates

- April 18, 2022 – Easter Holiday – No Session

- May 6, 2022 – State Budget finalized per Missouri Constitution
- May 13, 2022 – Last day of the 2022 Legislative Session per Missouri Constitution
- July 1, 2022 – First day of Fiscal Year 2023
- July 14, 2022 – Last day for the Governor to Sign or Veto Bills
- August 28, 2022 – Date Most Legislation Takes Effect (unless another date is specified)
- September 14, 2022 – Veto Session

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