

CAPITOL REPORT – WEEK 5

FEBRUARY 7, 2025

Weekly Overview: The activity in the Senate this week starkly differentiates this year's session compared to last year. In fact, the Senate is moving at a pace faster than the House, a phenomenon that we have not experienced in a number of years. While the House has not engaged in floor debate on any legislation, the Senate debated, Perfected, Third Read and sent to the House five bills. We also saw the first filibuster of the year as Democrats held up a bill after an amendment providing for a permanent ban on transgender care for minors was adopted. The House is expected to start floor debate next week with the first bill to be considered relating to foster care and protection of children.

This week, there were dozens of bills heard in House and Senate Committees. Notably heard was a House Joint Resolution that would send the abortion issue back to Missouri voters, legislation that would weaken the initiative petition adopted by voters in November relating to minimum wage and paid sick leave, and legislation that would phase out the state income tax. Committee hearings will continue at a near-record pace next week.

In the news...

- This week, Missouri Lottery Director Lester Elder told the House Budget Committee that the illegal gray slot machines has negatively impacted lottery pull tab sales. He said that the Lottery has legislative authority to put up to 500 pull tab machines into organizations. They are now down in number to 412 and each time a retailer decides to discontinue a machine it is to make space for the gray slot machines.
- President Pro Tem Cindy O'Laughlin said in a Facebook posting this week that she wants a moratorium on solar and wind projects. "We need to invest in energy generation that is reliable. Neither of these are..." said O'Laughlin.
- On Tuesday, Emerson Electric conducted the grand opening of its new global headquarters in Clayton. The Fortune 500 Company officially moved from its longtime campus in Ferguson to the new Emerson Tower. The 14-story Forsyth Pointe office development will house hundreds of corporate employees, with Emerson occupying the top three floors and parts of two others.
- The Missouri Senate has launched a new online portal for Missouri residents to submit reports of "government duplication, waste, or inefficiencies" aligning with the DOGE initiative established by President Donald Trump's Administration. The portal asks users to provide their name, phone number and address, then select a policy area and leave a comment and a potential solution. Some Senators believe this could help with evaluating changes that streamline government operations and hold state agencies accountable. The portal may be accessed here.

Budget Update

The House Budget and the Senate Appropriations Committees continued to hear from the various departments this week regarding their ongoing operating expenses and new decision items (NDIs). The House Budget Committee extensively reviewed HB 20 on Monday which contains the nearly \$2.6 billion in ARPA funds. To date, roughly \$1.2 billion has been spent and all funds must be fully expended by end of calendar year 2026 or be transferred to the state's foundation formula. They also reviewed the remaining Capital Improvement bills (HB 17, HB 18, HB 19). The remainder of the week saw the Office of Administration, National Guard, the Department of Revenue, MoDOT, the Department of Agriculture and the Department of Natural Resources appear before the committee. As there are several new members on the Budget Committee, the questions have varied from procedural operations to the history of certain expenses. It is expected the Budget Sub-Committees will meet in the next two weeks to draft recommendations for the various departments.

Meanwhile, the Senate Appropriations Committee has also been diligently reviewing the requests and NDIs from the Department of Labor and Industrial Relations, the Department of Agriculture, the Department of Corrections and the Department of Public Safety. The majority of questions have centered on ongoing funding sources and impacts of the potential of federal funding losses.

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Accounts Fraud

The Senate Committee on Insurance and Banking convened Tuesday afternoon for a public hearing on SB 98, sponsored by Senator Sandy Crawford (R-Buffalo). The bill creates the offense of financial institution accounts fraud. The offense is committed if a customer or third party accesses, uses or establishes an account and presents any type of fraudulent pretense to withdraw funds from the institution or other accounts. Additionally, the bill establishes criminal penalty provisions. Supporting testimony was presented by the Missouri Bankers Association who stated this would apply equally to account holders and financial institutions and there are current gaps in the criminal code this legislation addresses. Additional supporting testimony was provided by the Missouri Credit Union Association. No opposing testimony was presented to the committee.

Adult High Schools

The House Committee on Elementary and Secondary Education convened on Wednesday afternoon for a public hearing on <u>HB 32</u>, sponsored by Representative Bishop Davidson (R-Republic). The bill lowers the age of enrollment for adult high schools in Missouri from 21 to 18 to increase access to the program and help adults complete a high school diploma program outside of a traditional secondary school setting. Supporting testimony was presented by Mers Goodwill. No opposing testimony was presented to the committee.

Ballot Language

The Senate Committee on Local Government, Elections and Pensions convened Monday afternoon to discuss passage of <u>SB 22</u>, sponsored by Senator Rick Brattin (R-Lee's Summit). The bill prohibits the court from re-writing summary statements on joint resolutions, constitutional amendments or statutory language which requires a vote of the people if an official summary statement is submitted by the General Assembly. Additionally, in the event a summary statement is challenged in court, only the Secretary of State may re-write the summary statement, if the General Assembly does not pass a resolution six weeks before the election. During discussion, substitute language was adopted which extended the timeframe a ruling may be issued on a ballot summary from six weeks to eight. Additionally, the substitute applies the provisions of the bill to initiative petitions. Once modified, the committee passed the bill by a 6-2 vote.

Banks and Trust Companies

The Senate Committee on Insurance and Banking convened Tuesday afternoon for a public hearing on SB 97, sponsored by Senator Sandy Crawford (R-Buffalo) and SB 99, also sponsored by Senator Sandy Crawford. The bills modify several provisions regarding certain banks and trust companies. Specifically, the bill allows articles of agreement for banks and trust companies to provide for the issuance of additional shares of capital stock, if such terms are acceptable to the Director of Finance. Additionally, the bill allows directors to attend board meetings by phone or video. The bill also repeals a requirement for banks or trust companies to disclose the list of liabilities and indebtedness of their board and employees. Finally, the bill repeals provisions requiring financial reports of banks and trust companies be published in newspapers and repeals provisions regarding notification of dormant accounts. The sponsor informed the committee a Senate Committee Substitute will be forthcoming and will combine provisions of SB 99, which prevents fraudulent activity on bank accounts and provisions of SB 657, which creates new provisions relating to banks that secure public funds. Supporting testimony was presented by the Missouri Bankers Association who stated this legislation will improve efficiency and administration for the banks and reduce legal fees and costs. It was also noted the trusted contact is an

important component for when banks suspect fraud or financial exploitation. Additional testimony in support was provided by the Missouri Municipal League, Missouri Credit Union Association and Missouri Independent Bankers Association. Opposing testimony was presented by ArmorVine who stated the bill removes transparency in banking practices.

The House Committee on Financial Institutions convened Wednesday afternoon for a public hearing on <u>HB 754</u>, sponsored by Representative Philip Oehlerking (R-Ballwin). This is the House Companion Bill to <u>SB 97</u>, highlighted above. Supporting testimony was presented by the Missouri Bankers Association who stated this will improve efficiency and updates certain provisions to align with current technology. No opposing testimony was presented to the committee.

The committee then turned its attention to a public hearing for <u>HB 707</u>, also sponsored by Representative Philip Oehlerking. The bill creates the offense of financial institution accounts fraud and establishes non stackable criminal provisions. The sponsor's intent with the legislation is to close gaps within the criminal code for fraud. Supporting testimony was presented by the Missouri Bankers Association who stated this ensures protection for both financial institutions and customers. Additional supporting testimony was provided by Missouri Credit Union Association.

Born-Alive Abortion Survivors Protection Act

The House Committee on Health and Mental Health convened for a public hearing on HB 195, sponsored by Representative Brian Seitz (R-Branson) and HB 1119, sponsored by Representative Holly Jones (R-Eureka). The bills are identical and mandates a child born alive during or after an abortion or attempted abortion will have the same rights as any other person, including any other live-born child. Additionally, the bill requires healthcare providers present when a child is born alive must exercise the same skill to preserve the life and health of the born alive child as they would with other children. Finally, the bill enacts civil and criminal penalties. Supporting testimony was presented by Missouri Right to Life who stated this is common sense legislation intended to ensure survivors of abortion are afforded the same care as other children. Additional supporting testimony was provided by Campaign Life Missouri and a chaplain. Opposing testimony was presented by a private citizen who stated there are no protections for women included in the language and does not clearly define spontaneous and non-spontaneous abortion. Additional opposing testimony was provided by Abortion Action Missouri.

Building Codes

The House Committee on Commerce convened Wednesday morning to discuss passage of <u>HB 939</u>, sponsored by Representative Mike Jones (R-Kansas City). The bill prohibits counties and municipalities from enacting any ordinance, regulation or other policies that requires owners, builders or developers to implement green energy efficiency building design and construction practices for family dwellings if it threatens the affordability of the construction, maintenance repair or renovation. After no discussion, the committee passed the bill by a 6-3 vote.

Cannabinoids Control Act

The Senate Committee on Families, Seniors and Health convened Thursday morning to discuss passage of <u>SB 54</u>, sponsored by Senator Nick Schroer (R-St. Charles). The bill establishes the "Intoxicating Cannabinoid Control Act", which provides specific definitions critical to the regulation of "intoxicating cannabinoids". Additionally, the bill requires that all products containing intoxicating cannabinoids be classified and regulated as marijuana under Article XIV of the Missouri Constitution. Finally, the bill

adds penalty provisions for state agencies, state employees and dispensaries who disclose any personally identifying information or who create or retain any record containing a consumer's identifying information. During discussion, a Senate substitute was adopted which removed all references to the Second Amendment and added a carve-out for drinks containing THC. Once modified, the committee passed the bill by a 5-1 vote.

Career-Tech Certificate Program Fund

The Senate Committee on Education convened Tuesday morning for a public hearing on <u>SB 150</u>, sponsored by Senator Jill Carter (R-Granby). The bill specifies that any student who has met the qualifications for the A+ Scholars Program shall qualify for reimbursement for the costs associated with tuition, books, or fees associated with completion of an eligible certificate program from a public or private postsecondary institution, vocational school, community college, or certified training provider approved by the Coordinating Board for Higher Education. Eligible programs include certificate or degree programs conferred by approved institutions of higher education for employment. Supporting testimony was presented by the Missouri Chamber of Commerce and Industry who stated this would help ensure that Missouri higher education institutions are able to produce a talented workforce in high demand areas. Additional supporting testimony was provided by a skilled workforce trainer from St. Louis. No opposing testimony was presented to the committee.

The House Committee on Education and Workforce Development convened Wednesday afternoon for a public hearing on <u>HB 331</u>, sponsored by Representative Ann Kelley (R-Lamar). This is the House Companion Bill for <u>SB 150</u>, highlighted above. Additional supporting testimony was provided by the Missouri NEA. No opposing testimony was presented to the committee.

Cell Phones in Schools

The House Committee on Elementary and Secondary Education convened on Wednesday afternoon for a public hearing on <u>HB 306</u>, sponsored by Representative Kathy Steinhoff (D-Columbia) and <u>HB 854</u>, sponsored by Representative Ed Lewis (R-Moberly). The bills are similar and prohibit the use of personal student cell phones and electronic communication devices during instructional activities and require school districts to develop and publish disciplinary procedures and exceptions for students using electronic devices. Supporting testimony was presented by Cape Girardeau Public Schools stating it helps promote student-teacher engagement. Additional supporting testimony was provided by the Missouri State Teachers Association. Informational testimony was presented by the Missouri School Boards Association stating the bill is well intentioned but risks overstepping the authority of school districts. No opposing testimony was presented to the committee.

The House Committee on Elementary and Secondary Education Committee convened on Wednesday afternoon for a public hearing on <u>HB 408</u>, sponsored by Representative Jamie Gragg (R-Ozark). The bill requires school districts in the state to create a written policy governing the use of electronic communication devices and smart watches during school activities and bans their use during instructional time without express permission from the building principal. Further, the bill prohibits students from possessing an electronic device during regular instructional activities inside a school building beginning in the 2025-26 school year. Supporting testimony was presented by the Cape Girardeau School District. Additional supporting testimony was provided by the Missouri State Teachers Association. Informational testimony was presented by the Missouri School Boards

Association who stated smart watches are useful to students with health conditions. No opposing testimony was presented to the committee.

Chaplains as Volunteers

The Senate Committee on Education convened Tuesday morning for a public hearing on <u>SB 49</u>, sponsored by Senator Rusty Black (R-Chillicothe) and <u>SB 118</u>, sponsored by Senator Mike Moon (R-Ash Grove). The bills are identical and allows public school districts and public charter schools to employ a chaplain or allow a chaplain to volunteer. Additionally, background checks shall be required and the chaplain is not required to be a certified teacher in order to work or volunteer for the district or charter school. Finally, the bill requires the school district or charter school to vote to adopt a policy authorizing employment or volunteering of chaplains. The sponsor's intent with the legislation is to help alleviate the shortage of school counselors in schools. Supporting testimony was presented by a chaplain who stated spiritual care is enhances physical healing and other states have passed similar legislation offering schools the choice to hire chaplains. Additional supporting testimony was presented by the National School Chaplain Association, Pacific Justice Institute, ArmorVine, teachers and parents. Opposing testimony was presented by Word and Way who stated training requirements for chaplains need to be included and prohibitions on proselytization need to be included. Additional opposing testimony was provided by members of the Satanic Temple, the Missouri Equity Education Partnership, ACLU of Missouri and parents.

Childcare Facility Complaints

The House Committee on Children and Families convened Tuesday morning to discuss passage of <u>HB</u> 339, sponsored by Representative Ann Kelley (R-Lamar). Currently, the Department of Elementary and Secondary Education (DESE) is required to keep a record of substantiated complaints against licensed childcare facilities. The bill prohibits DESE from releasing information to the public about those who make complaints. During discussion, substitute language was adopted which added an Emergency Clause. Once modified, the committee passed the bill by Consent with a 14-0 vote.

Childcare Facility Licensure

The House Committee on Professional Registration convened Wednesday morning to discuss passage of <u>HB 850</u>, sponsored by Representative Melissa Schmidt (R-Eldridge). The bill allows the Department of Elementary and Secondary Education to grant a temporary childcare license that will be valid for up to 12 months to a provider upon submission of a completed application. Additionally, the bill allows the provider to expand an existing site or add a new location, provided a fire-safety and sanitation inspection has been submitted. During discussion, substitute language was adopted to add <u>HB 53</u>, sponsored by Representative Willard Haley (R-Eldon) and <u>HB 850</u>, sponsored by Representative Melissa Schmidt (R-Eldridge) to the tile, as the bills are identical, to create one legislative vehicle. Once modified, the committee passed the bill by a 19-0 vote.

Childcare Tax Credit

The House Committee on Economic Development convened Tuesday morning to discuss passage of <u>HB 269</u>, 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 Childcare 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 childcare 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 of December 31, 2030. After a brief discussion, the committee passed the bill by a 9-0 vote.

County Planning Board Notice Posting

The House Committee on Legislative Review convened Thursday morning discuss passage of <u>HB 233</u>, sponsored by Representative Sherri Gallick (R-Belton). The bill requires that notices of county planning board hearings be posted on the county's website and it repeals the requirement that the notices be posted at least 15 days in advance of the hearing in at least two places in each township. There was no discussion before the committee passed the bill by a 10-0 vote.

Design-Build Sunset Repeal

The Senate Committee on Local Government, Elections and Pensions convened Monday afternoon to discuss passage of <u>SB 10</u>, sponsored by Senator Lincoln Hough (R-Springfield). The bill repeals the sunset date of September 1, 2026, for political subdivisions' authority to utilize the design-build method for construction. During discussion, substitute language was adopted which added construction at risk as an acceptable construction delivery method for political subdivisions if they choose. Once modified, the committee passed the bill by a 7-0 vote.

The Senate took up and dedicated floor time Wednesday to <u>SB 10</u>. During debate, the sponsor offered a floor substitute which repeals the sunset on the Hospital Federal Reimbursement Allowance also known as FRA. Senator Rick Brattin (R-Lee's Summit) successfully placed an amendment which repealed the sunset on the SAFE Act by a 22-8 vote. Additionally, several Senators offered amendments which repealed or extended the sunsets on the Relocation of Jobs from Kansas to Missouri Program, the electronic monitoring victim notifications, the Show MO Act and the Entertainment Industry Jobs Act. Ultimately, the bill was laid over for further debate on another day.

DNR Funds

The Senate Committee on Agriculture, Food Production and Outdoor Resources convened Thursday morning for a public hearing on SB 120, sponsored by Senator Jason Bean (R-Peach Orchard). The bill modifies provisions relating to the expenditure of moneys in certain Department of Natural Resource funds. Specifically, before June 30, 2026, any unexpended balance in the subaccounts of the Natural Resources Protection Fund exceeding the preceding biennium's collections shall revert to the general revenue fund. Beginning July 1, 2026, any unexpended balance shall not be swept. Additionally, the bill repeals provisions which transfer funds from the Missouri Air Emission Reduction Fund. The sponsor's intent with the legislation is to address a projected shortfall in the air pollution control program. Supporting testimony was presented by Associated Industries of Missouri who stated this would address the projected shortfall and not require the stakeholders to come together again and attempt to agree on a fee increase to cover the shortfall. Additional supporting testimony was provided by Infra (formerly the Missouri Limestone Producers Association), Missouri Forest Products Association, Missouri AgriBusiness Association, American Council of Engineering Companies of Missouri, Mining Industry

Council of Missouri and Missouri Concrete Association. No opposing testimony was presented to the committee.

Earnings Tax Opportunity Zones

The House Special Committee on Tax Reform convened Tuesday afternoon for a public hearing on HB 499, sponsored by Representative Brad Christ (R-St. Louis). Currently, St. Louis imposes a flat 1% local income tax, also known as the earnings tax, on both individuals and businesses. Rather than eliminating the tax citywide the bill establishes "earnings tax opportunity zones", which are zones that are federally designated and are St. Louis' most distressed communities. These zones will be mapped and maintained by the City and will be exempt from the earnings tax. The bill applies only to St. Louis and the sponsor's intent of the legislation is to provide targeted earnings tax relief to encourage investment and job creation in the City of St. Louis. Opposing testimony was presented by the Budget Director for the City of St. Louis who stated this will directly negatively impact revenues in the city. Informational testimony was presented by the City of Kansas City and the Northland Chamber of Commerce who informed committee members this legislation would have a \$40 million fiscal impact to the City of Kansas City. Additional informational testimony was provided by The Greater Kansas City Chamber of Commerce and the Civic Council of Greater Kansas City who urged the committee to not include Kansas City and reminded the committee that the voters of the City of Kansas City evaluate the earnings tax every fiveyears and it has consistently been renewed by about a 70% approval rate. No supporting testimony was presented to the committee.

Election Official Tampering

The Senate Committee on Local Government, Elections and Pensions convened Monday afternoon to discuss passage of <u>SB 84</u>, sponsored by Senator Jamie Burger (R-Benton). The bill creates the offense of tampering with an election official. The bill specifies if a person threatens to harm or engages in conduct reasonably calculated to harass, alarm or stalk an election official or a member of one's family, it is a class one election offense. There was no discussion before the committee passed the bill by a 7-1 vote, with Senator Joe Nicola (R-Grain Valley) casting the only dissenting vote.

Elementary and Secondary Education

The House Committee on Elementary and Secondary Education convened on Wednesday afternoon for a public hearing on HB 712, sponsored by Representative Brad Pollitt (R-Sedalia). The bill establishes a definition of "grade level equivalence" to measure a student's proximity to grade level proficiency. Beginning in the 2026-27 school year the bill directs the Department of Elementary and Secondary Education to develop metrics to measure "advanced, proficient, grade level, basic, and below basic" standards to measure the success of each school building, district, and statewide achievement. The bill also eliminates an annual inflationary adjustment to the minimum state teacher salary tied to the Consumer Price Index which is scheduled to begin in the 2028-29 school year and extends the sunset from 2025 to 2030 on a provision allowing retired teachers to continue teaching in a substitute or part time capacity without impacting their retirement benefit calculation. Supporting testimony was presented by the School District of St. Louis County stating the bill would help attract and retain special education teachers. Additional supporting testimony was provided by Missouri Council of School Administrators. Informational testimony was presented by the Public School Employee Retirement Fund who informed the committee they were in support of extending the sunset on retired teachers continuing to teach. Additional informational testimony was presented by the Missouri NEA. No opposing testimony was presented to the committee.

Emergency Medical Services

The Senate Committee on Emerging Issues convened Tuesday morning to discuss passage of <u>SB 7</u>, sponsored by Senator Mike Bernskoetter (R-Jefferson City). The bill requires ambulance district boards of directors to complete three hours of continuing education for each term of office and a failure to do so will result in a loss of office. Additionally, the bill requires each ambulance district to arrange for an audit of the district's records and accounts every three years by a certified public accountant and make the results available to the public on the district's website or otherwise freely available by other electronic means. There was no discussion before the committee passed the bill by a 5-1 vote.

The Senate took up and dedicated floor time Wednesday to <u>SB 7</u>. During debate, the sponsor offered a floor substitute which clarifies the Department of Health and Senior Services may not consider an ambulance district to have inadequate personnel as long as the ambulance service has staff to meet the needs of its emergency call volume. Additionally, the substitute allows smaller ambulance services the ability to staff a minimum of one ambulance unit twenty-four hours each day, seven days each week, with at least two licensed emergency medical technicians and have a reasonable plan and schedule for the services of a second ambulance. Senator Jill Carter (R-Granby) successfully placed an amendment which expands the Good Samaritan Law to encompass emergency situations and Senator Tracy McCreery (D-St. Louis) successfully placed an amendment which would exempt "specialty hospitals" from liability under certain circumstances. Once modified, the first of two necessary approval votes was given and the bill was Perfected. On Thursday, the bill was revisited and Third Read and Passed by a 29-2 vote. The bill will now be sent to the House for their consideration.

Farm Bureau Health Plans

The Senate Committee on Insurance and Banking convened Tuesday afternoon to discuss passage of <u>SB</u> <u>79</u>, sponsored by Senator Kurtis Gregory (R-Marshall). The bill provides the Missouri Farm Bureau and other not-for-profit organizations the authority to offer affordable and quality health benefits to their members, and allows them to work with reinsurance companies and third party administrators to ensure consumers have access to nationwide network of providers and claims are paid. After a brief discussion, the committee passed the bill by a 4-2 vote.

Fiduciary Duties

The House Committee on Pensions convened Thursday morning to discuss passage of HB 657, sponsored by Representative Bill Owen (R-Springfield). The bill codifies fiduciary duties of trustees of public employee retirement systems to exclude consideration of social, environmental, or noneconomic factors or goals when considering investments on behalf of the system's members. The bill also requires proxy voting to be conducted solely by internal public employee retirement system staff or an investment manager who has committed in writing to solely act in the best economic interests of the plan and its participants, without consideration of social, political, ideological, environmental, or other noneconomic goals. During committee discussion, Representative Kathy Steinhoff (D-Columbia) offered an amendment to remove all environmental, social, and governance (ESG) language. After a lengthy discussion, the amendment ultimately failed and the committee then passed the bill by an 11-5 vote.

Firearms on Public Transit

The Senate Committee on Transportation, Infrastructure and Public Safety convened Monday afternoon for a public hearing on SB 77, sponsored by Senator Adam Schnelting (R-St. Charles). This bill will allow lawful licensed concealed carry permit holders to carry a firearm on any public transportation system. Supporting testimony was presented by a private citizen who stated Missouri is the only red state to have a restriction on conceal carry on public transit and this restriction prohibits citizens from having a means to protect themselves. Additional supporting testimony was provided by Western Missouri Shooters Alliance and the Arnold Rifle and Pistol Club. Opposing testimony was presented by the Bi-State Development Agency who stated MetroLink has upgraded security measures on platforms and raised concerns over the lack of training requirements for concealed carry permits. Additional opposing testimony was provided by the Missouri Public Transit Association, City of Kansas City, Greater Kansas City Chamber of Commerce, Civic Council of Greater Kansas City and Moms Demand Action for Gun Sense.

Food Labeling

The Senate Committee on Families, Seniors and Health convened Wednesday morning for a public hearing on SB 149, sponsored by Senator Jill Carter (R-Granby). The bill modifies requirements for labeling on food products. Specifically, the bill requires the Department of Health and Senior Services to promulgate rules which include standardized front-of-package labels when products contain high levels of sodium, sugars, calories or saturated fats; clearly mark common allergens; and disclosure the percentage of grains, fruits or vegetables present in the products. Additionally, the bill modifies the descriptive factors when food is misbranded in Missouri. Finally, the bill modifies the penalty provisions for the manufacture, sale or delivery of misbranded foods. The sponsor's intent with the legislation is to increase transparency in food labeling, particularly for products involving biotechnology, allergens, labgrown ingredients and dietary health claims. Supporting testimony was presented by Liberty Link Missouri who stated all people benefit when they are aware of exactly what they are purchasing. Opposing testimony was presented by the Missouri Beverage Association who stated the two main concerns are the front of package labeling and the use of QR codes when exporting goods as it may conflict with federal law and different states have other requirements. Additional opposing testimony was provided by the Missouri Retailers Association, Missouri Grocers Association, Associated Industry of Missouri, Missouri Cattlemen's Association, Missouri Pork Association, Missouri Biotechnology Association, Missouri Farm Bureau, Consumer Healthcare Products Association, Missouri Soybean Association, Missouri Corn Growers Association and Missouri Chamber of Commerce and Industry. Informational testimony was presented by Anheuser-Busch who informed committee members the Federal Alcoholic Beverage Labeling Act prohibits states from imposing additional restrictions on alcoholic beverages or their labeling and currently they already place QR codes with links to the ingredients.

Foreign Adversary Divesting

The House Committee on Pensions convened Thursday morning for a public hearing on <u>HB 977</u>, sponsored by Representative Barry Hovis (R-Whitewater). The bill seeks to provide safeguards for Missouri's pension funds by requiring divestment from high-risk investments tied to some of the countries of the Republic of China and other entities that are deemed national security risks. Pension boards must review their holdings by December 1st of 2025 and divest from restricted investments by August 28th of 2026. Supporting testimony was presented by the Missouri State Treasurer who stated this measure would protect Missouri's public employee retirement funds from financial and national

security threats posed by foreign adversaries and highlighted that bill includes safeguards to prevent divestment from directly harming pension performance. Additional supporting testimony was provided by State Armor Action and State Shield. Informational testimony was presented by the Missouri State Employees Retirement System provided informational testimony and stated the bill is consistent with current MOSER policies and noted the only potential cost is the need to hire an independent research firm to put together a restrictive entity list and scan the portfolio. Additional informational testimony was provided by PSRS/PEERS. No opposing testimony was presented to the committee.

Hazing

The Senate Committee on Judiciary and Civil and Criminal Jurisprudence convened Wednesday morning to discuss passage of <u>SB 167</u>, sponsored by Senator Kurtis Gregory (R-Marshall). The bill provides a person who takes the initiative to call 911 when someone is need of immediate medical assistance shall not be found guilty of the offense of hazing. Additionally, the bill provides immunity for the person who remains at the scene until medical assistance arrives, and to the person who rendered aid to the hazing victim before assistance arrived. There was no discussion before the committee passed the bill by a 6-0 vote.

HB 1606 Fix – County Officials

The Senate took up and dedicated floor time Tuesday to <u>SB 1</u>, sponsored by Senator Sandy Crawford (R-Buffalo) on Tuesday afternoon. The bill includes several provisions relating to county officials. Specifically, the bill allows county corners that fill the slot of sheriffs to receive that salary, allows salary commissions to amend the base salary schedule, allows county collectors to conduct tax sales via electronic media, allows county auditors to audit and examine claims, excludes the Boone County sheriff from the current salary schedule, and changes statutes concerning public administrators. During debate, the sponsor offered a floor substitute to remove the county collectors' provisions that allowed a county collector to hold an auction of lands with delinquent property taxes through electronic media at the same time as said auction is held in-person. After a brief debate, the first of two necessary approval votes was given and the bill was Perfected. On Thursday, the bill was revisited and Third Read and Passed by a 31-0 vote. The bill will now be sent to the House for their consideration.

HB 1606 Fix - Financial Statements

The Senate took up and dedicated floor time Tuesday to <u>SB 2</u>, sponsored by Senator Sandy Crawford (R-Buffalo) on Tuesday afternoon. The bill allows certain counties to file abbreviated financial statements and requires publishers to charge market rates for this publication. Additionally, the bill allows for a one-time fine forgiveness program for cities and counties that fail to timely file financial statements. There was no debate before the first of two necessary approval votes was given and the bill was Perfected. On Thursday, the bill was revisited and Third Read and Passed by a 32-0 vote. The bill will now be sent to the House for their consideration.

The House Committee on Local Government convened on Wednesday morning to discuss passage of <u>HB 352</u>, sponsored by Representative Peggy McGaugh (R-Carrolton). This is the House companion to <u>SB 2</u>, highlighted above. After no discussion, the committee passed the bill by a 16-0 vote.

Health Care Omnibus

The House Committee on Health and Mental Health convened Tuesday afternoon to discuss passage of HB 943, sponsored by Representative Tara Peters (R-Rolla). The bill modifies numerous provisions

regarding health care, including: ambulance district boards of directors training; ambulance district audits; community paramedic certification; modifying the membership of the State Advisory Council on Emergency Medical Services; ambulance licenses; treatment of sexually transmitted infections; limits on the sale of over-the-counter drugs; the administration of medication for long-term care facilities; coverage by MO HealthNet for hearing aids; prenatal tests for certain diseases; modification of the practice of dentistry in correctional centers; and the administration of certain vaccines. During discussion, substitute language was adopted which removes the exception for hospitals in third and fourth class counties to be able to expand and compete with neighboring hospitals and includes municipal and district hospitals. Additionally, language was restored to ensure continuum of care for home health agencies. Finally, language was adopted which seeks to provide community paramedic services outside of the ambulance service area. Once modified, the committee passed the bill by a 17-0 vote.

Hearing Aids/Cochlear Devices Coverage

The House Committee on Health and Mental Health convened Tuesday afternoon to discuss passage of <u>HB 177</u>, sponsored by Representative Cameron Parker (R-Campbell). The bill requires MO HealthNet to cover the cost of hearing aids and cochlear implants. During discussion, substitute language was adopted which added <u>HB 469</u>, sponsored by Representative Jo Doll (D-St. Louis), which is identical, to create one legislative vehicle. Once modified, the committee passed the bill by a 17-0 vote.

High School Athletes Compensation

The Senate Committee on Education convened Tuesday morning for a public hearing on <u>SB 80</u>, sponsored by Senator Kurtis Gregory (R-Marshall). The bill extends eligibility for a high school student athlete to earn compensation for the use of the Name, Image, or Likeness, if they have signed a letter of intent with an accredited university or college and intend to participate in athletics sponsored by the signing institution. Additionally, the bill allows student athletes who attend public schools in the state to use their image or likeness as identified by the high school they attend for the purpose of negotiating compensation with a college or university. No supporting or opposing testimony was presented to the committee.

Higher Education Modifications

The House Committee on Higher Education convened Wednesday afternoon for a public hearing on HB 606, sponsored by Representative Willard Haley (R-Eldon). The bill modifies provisions relating to the department of higher education and workforce development, Changes throughout the bill include changing the "Division of Workforce Development in the Department of Economic Development" to the "Office of Workforce Development in the Department of Higher Education and Workforce Development" to reflect the current governance. The bill also changes the currently named "Show-Me-Heroes" program to the "Missouri Heroes Connect". The bill repeals the following statutes relating to: The "Career Readiness Course Task Force", Graduate students teaching assignments, The "Missouri Guaranteed Student Loan Program" and the "Lender of Last Resort Revolving Fund", The "Vietnam Veteran's Survivor Grant", The "Marguerite Ross Barnett Competitiveness Scholarship Program", The pilot project "International Economic Development Exchange Program and the Advisory Council", Higher education faculty hiring practices, The "Advantage Missouri Program", The "Missouri Youth Service and Conservation Corps Act" and the "Youth Service and Conservation Corps Fund". The sponsor's intent with the legislation is to clean up obsolete references contained within the statutes. Supporting testimony was presented by the Department of Higher Education and Workforce

Development who stated it would be happy to have the obsolete language and programs deleted. No opposing testimony was presented to the committee.

Hyperbaric Oxygen Therapy

The House Committee on Veterans and Armed Forces convened Monday afternoon to discuss passage of <u>HB 262</u>, sponsored by Representative Chris Brown (R-Kansas City). The bill establishes the Veterans Traumatic Brain Injury Treatment and Recovery Act, which creates a fund to reimburse facilities that provide hyperbaric oxygen therapy to veterans diagnosed with post-traumatic stress disorder or traumatic brain injury, and it is to be used to conduct studies on the use of alternative therapies for these conditions. There was no discussion before the committee passed the bill by a 17-0 vote.

Illegal Aliens

The Senate Committee on Transportation, Infrastructure and Public Safety convened Wednesday morning to discuss passage of <u>SB 58</u>, sponsored by Senator Jill Carter (R-Granby). The bill creates the "Interstate Compact for Border Security Act" which allows Missouri to negotiate and assist other states in an interstate compact for border security among interested states. Additionally, the bill creates the offense of property entry by an alien and creates the offense of aggravated illegal presence. During discussion, substitute language was adopted to specify the borders apply to Missouri and surrounding states and provide clarifying language. Once modified, the committee passed the bill by a 5-2 vote.

Income Tax Elimination

The House Special Committee on Tax Reform convened Tuesday afternoon to discuss passage of <u>HB</u> 798, sponsored by Representative Christopher Warwick (R-Bolivar). Currently, the top rate of income tax may be reduced over a period of years if certain triggers are met. The bill seeks to simplify the income tax collections by implementing a flat tax rate of 4.7% on all taxable income and removes all tax deduction triggers, and removes all existing taxable income brackets. Lastly, the bill repeals the Missouri Working Family Tax Credit Act. During committee discussion, substitute language was adopted to include current statute language relating to current triggers that was inadvertently left out during drafting. Once modified, the committee passed the bill by a 7-3 vote.

Income Tax Elimination - Spending Caps

The House Special Committee on Tax Reform convened Tuesday afternoon for a public hearing on HJR], sponsored by Representative Bishop Davidson (R-Republic). The sponsor presented on his proposed House Committee Substitute and upon voter approval, the resolution places a spending cap on the General Assembly's appropriation authority, creates the Tax Reform Fund for any surplus revenue collections, repeals the prohibition on sales and use tax expansions, eliminates the MO income tax and MO personal capital gains taxes immediately, and imposes a state sales tax on lobbying services of 6%. The sponsor's main goal of the legislation is to eliminate income taxes. Supporting testimony was presented by Missouri Tax Relief Now. Additional supporting testimony was provided by Liberty Alliance USA, Freedom Principal Missouri, Americans for Prosperity and several private citizens. Opposing testimony was presented by the Missouri Realtors who stated the resolution does not eliminate any taxes, it is just a tax switch. Additional opposing testimony was also provided by the Missouri Society of CPA's also opposed the bill.

The committee then turned its attention to a public hearing on <u>HB 100</u>, also sponsored by Representative Bishop Davidson. Beginning January 1, 2026, a flat rate of 4% personal income tax is imposed on the

income of every Missouri resident. The intent of the legislation is to implement everything proposed in <u>HJR 1</u>, highlighted above, in a statutory manner. During bill presentation, the sponsor stated that nine other states have eliminated income tax collections. Supporting testimony was provided by a state public advocate, Liberty Alliance USA and Freedom Principal Missouri. Additional opposing testimony was provided by the Missouri NEA, American Institute of Architects – Missouri, Missouri Appraisers Advisory Council and Associated Industries of Missouri.

Integrated Resource Planning (IRP)

The Senate Committee on Commerce, Consumer Protection, Energy and the Environment convened Thursday morning for a public hearing on SB 186, sponsored by Senator Mike Cierpiot (R–Lee's Summit.). The bill includes similar QWIP provisions as HB 376 and HB 50, however the PSC has the authority to approve the QWIP. Additionally, the bill includes a state reliability mechanism that requires documentation annually that outlines the utilities plan for the upcoming planning year, along with three subsequent years. Due to the closure of coal plants, there is a need to ensure MO has adequate and reliable resources available. Lastly, the bill includes Integrated Resources Planning (IRP), which is a long-term plan provided by a utility to show how the plan to meet future energy plans. Supporting testimony was presented by the Public Service Commission who stated action must be taken to ensure Missouri's electric grid can meet demand and ensure citizens and the state benefit from the grid. Additional supporting testimony was provided by Evergy, Ameren Missouri, Energy Policy Network and the Missouri Chamber of Commerce and Industry. Opposing testimony was presented by the Midwest Energy Consumers Group who stated who stated consumers will not see a price break in rates for a minimum of 25 years if the legislation passes and the PSC can already act quickly to approve construction of new facilities through the normal rate process. Additional opposing testimony was provided by AARP, Sierra Club of Missouri, Consumer Council of Missouri, Missouri Industrial Energy Consumers, Renew Missouri and private citizens. Informational testimony was presented by the Department of Economic Development who highlighted trends for project attraction for the State of Missouri and current employment rates which is at 3.1%, and the national average is 4.1% citing Missouri added about 84 thousand jobs last year. The most important thing to attract companies is electric power capacity. Additional informational testimony was provided by Associated Industries of Missouri who stated they have not fully reviewed the bill, however, there needs to be consumer protections built into any QWIP project.

Internet - Harmful Material to Minors

The House Committee on Children and Families convened Tuesday morning for a public hearing on HB 236, sponsored by Representative Sherri Gallick (R-Belton). The bill requires commercial websites with more than 33 1/3% of material that is deemed harmful to children, to verify that those accessing the site are 18 years of age or older. Additionally, the bill imposes a civil penalty for damages if a minor is harmed. The sponsor stated a House Committee Substitute will be offered which adds a clause applying the provisions of the bill to sites which contain over 33% of pornography content and adds a privacy clause. Supporting testimony was presented by a Jefferson County Councilwoman who stated the pandemic gave children a new level of access to the internet and safeguards were failed to be maintained by both parents, schools and online providers. Additional supporting testimony was provided by a chaplain, Missouri Children's Trust Fund, Exodus Road, a pediatric nurse, private citizens and a state public advocate. No opposing testimony was presented to the committee.

Jail Modifications (County)

The Senate Committee on Local Government, Elections and Pensions convened Monday afternoon to discuss passage of <u>SB 50</u>, sponsored by Senator Rusty Black (R-Chillicothe). The bill requires jails and correctional centers to provide inmates with reasonable access to phone services during confinement, prohibits institutions from charging exorbitant amounts for domestic phone calls and seeks to place a cap on the amount per minute. Additionally, the bill allows contiguous counties to form regional jail districts. Finally, the bill provides a mechanism to streamline the jail reimbursement process. There was no discussion before the committee passed the bill by an 8-0 vote.

The Senate took up and dedicated floor time Wednesday to <u>SB 50</u>. During debate, the sponsor offered a floor substitute to correct a drafting error. Once modified, the first of two necessary approval votes was given and the bill was Perfected. On Thursday, the bill was revisited and Third Read and Passed by a 30-1 vote and the Emergency Clause was adopted. The bill will now be sent to the House for their consideration

Jail Reimbursements

The House Committee on Corrections and Public Institutions convened Thursday morning for a public hearing on HB 170, sponsored by Representative Donnie Brown (R-New Madrid). Currently, Missouri reimburses county jails for the actual cost of incarceration of each prisoner up to \$37.50 per day per prisoner. The bill would raise the amount to \$40 per day per prisoner beginning July 1, 2026. The sponsor stated the cost to house prisoners varies from urban areas to metro areas and he is seeking to ease the burden on the counties. Supporting testimony was presented by the Davies DeKalb Regional Jail, Missouri Association of Counties, County Commissioner Association of Missouri, Greene County and several county sheriffs. Supporters stated the uncertainty around county jail payments makes budgeting correctly difficult at best. Additionally, the rate has stayed at or below \$22.58 for the last twenty-seven years and the language "subject to appropriations" has caused arrearages owed by the state to the counties. Finally, the committee was informed these are just the base costs and do not take into account medical care, transportation and utilities. Informational testimony was presented by the Department of Corrections who educated the committee on the breakdown of cost, what qualifies for reimbursement and the rational for non-payment for housing prisoners who do not serve time in state prisons. No opposing testimony was presented to the committee.

Law Officer Resources

The Senate Committee on Transportation, Infrastructure and Public Safety convened Monday for a public hearing on SB 92, sponsored by Senator Maggie Nurrenbern (D-Kansas City). This is the Senate Companion to HB 225, and allows the chief law enforcement executive jurisdiction to request assistance from another jurisdiction, including a jurisdiction outside of the State of Missouri. The sponsor's intent with the legislation is to provide law enforcement simply another tool in their toolbox to respond to incidents and provide additional resources at a time when many departments are struggling with severe shortages. Supporting testimony was presented by the Missouri Police Chiefs Association, Metro Chiefs and Sheriffs Association and the Gladstone Police Department who stated this was already enacted in Kansas City and would simply apply those provisions to the entire state. Additional supporting testimony was provided by the City of Kansas City and the Northland Chamber of Commerce. No opposing testimony was presented to the committee.

License Fee Offices

The Senate Committee on Emerging Issues convened Tuesday morning to discuss passage of <u>SB 3</u>, sponsored by Senator Sandy Crawford (R-Buffalo). The bill increases the fees on certain transactions and applies one dollar from every increased fee to the newly created "License Office Distribution Fund." Additionally, the bill specifies the Director of the Department of Revenue is prohibited from awarding fee office contracts to entities affiliated in any manner with a current employee of the Department or with a former employee of the Department for the one-year period following the employee's termination of employment. During discussion, substitute language was adopted which removed the distribution fund plan and allows fee offices to retain \$3 rather than \$2. Once modified, the committee passed the bill by a 4-2 vote.

The House Committee on General Laws convened Tuesday afternoon for a public hearing on <u>HB 207</u>, sponsored by Representative Dave Hinman (R-O'Fallon). This is the House companion to <u>SB 3</u>, highlighted above. Supporting testimony was presented by York Management Group who stated small license fee offices represent a vital role in how citizens may access critical government services in a convenient and reliable manner. Additional supporting testimony was presented by the Missouri Association of Licensing Offices. Opposing testimony was presented by a state public advocate who stated the increased fee is unneeded and unwarranted.

Licensed Profession Local Ordinances

The House Committee on Economic Development convened Tuesday morning for a public hearing on HB 325, sponsored by Representative Jim Murphy (R-St. Louis). The bill prohibits local governments from interfering in the course of practice with any medical professional, including the practice of chiropractors, dentists, physicians, physician assistants, surgeons, nurses, anesthesiologist assistants, licensed therapists, respiratory care therapists, athletic trainers, optometrists, psychologists, professional counselors, social workers, pharmacists, and veterinarians. Supporting testimony was presented by the Missouri Podiatric Medical Association who stated they would like to be included in the bill. Additional supporting testimony was presented by a state public advocate and private citizen. Opposing testimony was presented by the Missouri Alliance for Animal Legislation who stated veterinarians have very little state oversight and do not have to face the same liabilities for animal abuse that human medical professionals do. Additional opposing testimony was provided by Humane Society of the United States, Animal Legal Defense Legislative Fund, City of Springfield and private citizens. Informational testimony was presented by the Missouri Veterinary Medical Association. Additional informational testimony was provided by the St. Louis Municipal League who sated municipalities have no authority to enact these types of ordinances now. This legislation is geared more toward counties and their health departments and the City of St. Louis (which is both a city and a county).

Mechanical Contractor Licensing Act

The Senate Committee on Emerging Issues and Professional Registration convened Tuesday morning for a public hearing on <u>SB 31</u>, sponsored by Senator Doug Beck (D-St. Louis). The bill establishes the Missouri Statewide Mechanical Contractor Licensing Act, which establishes rules and guidelines to allow mechanical contractors to apply for an optional statewide license rather than having multiple licenses per political subdivision, to be regulated by the Division of Professional Registration within the Department of Commerce and Insurance. Supporting testimony was presented by Keven Heating and Cooling who stated the bill reduces bureaucracy by allowing flexibility and essentially creating reciprocity and consistency within our state. Additional supporting testimony was presented by the

Mechanical Contractors Association of Eastern Missouri, Mechanical Contractors of Kansas City, Sheet Metal and Air Conditioning National Association, Plumbing Industry Council, St. Louis County, Gateway Air Conditioning Contractors, the Plumbers and Pipefitters of St. Louis and the Plumbers and Pipefitters of Springfield and Joplin. Opposing testimony was presented by the Missouri Association of Plumbing, Heating and Cooling Contractors.

Military Personnel In-State Tuition

The House Committee on Veterans and Armed Forces convened Monday afternoon to discuss passage of <u>HB 419</u>, sponsored by Representative Don Mayhew (R-Crocker). The bill clarifies that certain military service personnel, their spouses, and their unemancipated children under 24, Missouri National Guard members, and any individuals serving in the reserves, be considered Missouri residents for the purposes of any undergraduate or graduate degree program in Missouri institutions of higher education. There was no discussion before the committee passed the bill by a 19-0 vote.

Minimum Wage

The House Committee on Commerce convened Wednesday morning for a public hearing on HB 758, sponsored by Representative Carolyn Caton (R-Blue Springs) and HB 958, sponsored by Representative Scott Miller (R-St. Charles). The bills both add employer exemptions for minimum wage and overtime requirements if the employee is under 21, if the employer has less than 50 employees and raises the threshold for retailers to less than \$10 million in gross volume sales. HB 758 specifically repeals the provision of minimum wage law which ties it to the Consumer Price Index (CPI) and applies the minimum wage law to public employers. HB 958 includes provisions exempting employers if an employee voluntarily quits without 2 weeks' notice, an employee who knowingly violates company policies and includes a severability clause. Supporting testimony was presented by the Missouri Restaurant Association who stated raising the threshold to 100 employees, exempting employees under 21, removing the sick pay carryover, removing all the penalties and creating a right to cure are just a few of the ways the legislature can assist small businesses with navigating the minimum wage increase. Additional supporting testimony was provided by Associated Industries of Missouri, Missouri Chamber of Commerce and Industry, NFIB, Missouri Grocers Association, Missouri Retailers Association.

Opposing testimony was presented by Jobs with Justice Voter Action who stated exempting the businesses who are 50 employees or less removes almost 96% of businesses across Missouri and over 80% of Missouri's workforce is employed by these businesses.

Missouri Works Program

The Senate Committee on Government Efficiency convened for a public hearing on SB 103, sponsored by Senator Mike Bernskoetter (R-Jefferson City). Currently, the Department of Economic Development is authorized to award to qualified companies Missouri Works incentives prior to completing a project and creating new jobs, with a sunset date of June 30, 2025. This act extends the sunset until June 30, 2031. Supporting testimony was presented by the Department of Economic Development who stated this program allows Missouri to be competitive with Arkansas and Kansas as they have a similar program. Additional supporting testimony was provided by the Missouri Economic Development Council, Missouri Community College Association, Associated Industries of Missouri, Missouri Municipal League and Missouri Chamber of Commerce and Industry. No opposing testimony was presented to the committee.

Motor Vehicle Assessments

The House Committee on Ways and Means Committee convened Monday evening to discuss passage of <u>HB 349</u>, sponsored by Renee Reuter (R-Imperial). Currently, vehicles that are less than two years old, a county assessor may use a value other than the average trade-in value without performing a physical inspection. The bill clarifies that the true value of motor vehicles is equal to but not higher than, the trade-in value. After a brief discussion, the committee passed the bill by a 6-3 vote.

The committee then turned its attention to discuss passage of <u>HB 816</u>, sponsored by Representative Rodger Reedy (R-Windsor). Currently, county assessors must use the October issue of the National Automobile dealers' Association Official Used Care Guide to determine the true value of a motor vehicle. The bill requires that the county assessor determine the true value for motor vehicles by using the trade-in value published in the October issue of a nationally recognized automotive trade publication selected by the State Tax Commission. After a brief discussion, the committee passed the bill by a 9-0 vote

Motor Vehicle Inspections

The House Committee on Government Efficiency convened Tuesday afternoon for a public hearing on HB 334, sponsored by Representative Ann Kelley (R-Lamar) and HB 1069, sponsored by Representative Jeff Farnan (R-Stanberry). The bills are similar and both repeal the inspection requirement for non-commercial motor vehicles to renew a motor vehicle license. HB 334 contains additional provisions which would allow first offenses for driving with expired registration to be removed from drivers' records and the Department of Revenue may provide owners additional options of a three and five year registration period. Supporting testimony was presented by a state public advocate. Opposing testimony was presented by the Missouri Insurance Coalition who stated they are only opposed to the complete elimination of inspection requirements.

The committee then moved on to discuss passage of <u>HB 799</u>, sponsored by Representative Ben Baker (R-Neosho). Currently, safety inspections are not required for registration of vehicles which have less than 150,000 miles for the 10-year period following the year of the model of manufacture. The bill changes that exemption to vehicles with less than 150,000 miles and are model year 2012 or newer. During discussion, substitute language was adopted which added <u>HB 1018</u>, sponsored by Representative Jeff Knight (R-Lebanon) which allows dealerships that sell in excess of 200 cars to perform odometer readings if the vehicle has less than 50,000 miles for the three-year period following the model year of manufacture. Additionally, HBs <u>334</u> and <u>1069</u> were added to the bill to create an omnibus vehicle inspection bill. Once modified, the committee passed the bill by a 16-3 vote.

The committee then moved on to discuss passage of <u>HB 247</u>, sponsored by Representative Bob Bromley (R-Carl Junction) and would allow drivers with a vehicle aged up to five years old be able to pay for vehicle registration up to five years. During committee discussion, substitute language was adopted which added <u>HB 246</u>, also sponsored by Representative Bob Bromley and allows individuals to obtain a two-year registration on their vehicle. Additionally, clarifying language was adopted which specified cars may be registered for six years or less. Once modified, the committee passed the bill by a 17-0 vote.

Motor Vehicle Temporary Permits

The House Committee on Transportation convened Tuesday afternoon for a public hearing on <u>HB 378</u>, sponsored by Representative Brad Pollitt (R-Sedalia). The bill authorizes law enforcement officers to

stop, inspect, or detain someone solely to determine whether a temporary permit is current. If it has expired, the law enforcement officer must issue a citation and assess a penalty of \$250. Additionally, if the person fails to register the vehicle within 30 days, the person's driving privileges will be suspended. Finally, if the person receives additional citations for a temporary permit the vehicle may be impounded until properly registered. No supporting or opposing testimony was presented to the committee.

Nontraditional Students

The Senate Committee on Education convened Tuesday morning for a public hearing on SB 63, sponsored by Senator Ben Brown (R-Washington). The bill removes a requirement for parents to submit a declaration to homeschool to the county recorder or residing school district superintendent. Additionally, the bill prohibits school districts from being members of statewide activities associations which prohibit virtual or home-school students from participating in any event or activities. Finally, the bill outlines how virtual instruction program or home-school students may participate in a resident district school-sponsored activity, athletic team, or extracurricular club or event. Supporting testimony was presented by Families for Home Education who stated this would alleviate the confusion parents have when attempting to enroll their children in activities and remove barriers for children to interact with other children. Additional supporting testimony was provided by several parents and students. Opposing testimony was presented by Christian Home School Fellowship who stated the language within the bill is improperly drafted and creates a new category of student. Additional opposing testimony was provided by a school counselor.

Nuclear Clean Power Act

The House Committee on Utilities convened Wednesday morning for a public hearing on <u>HB 50</u>, sponsored by Representative Willard Haley (R–Eldon) and <u>HB 376</u>, sponsored by Representative John Black (R–Marshfield). The bills are identical and establishes the "Missouri Nuclear Clean Power Act" that allow Investor-owned Utilities (IOUs) to charge for costs associated with construction work in progress (CWIP) strictly for nuclear, before the facility is operational. The sponsor's intent is to aid in the construction of small modular nuclear reactors. Supporting testimony was presented by Ameren Missouri who stated energy needs are only going to increase and Missouri needs this legislation to remain competitive with surrounding states. Additional testimony was provided by Evergy, Missouri Century Foundation, Nuclear Energy Institute, City Utilities of Springfield, and the Missouri Association of Municipal Utilities. Opposing testimony was presented by the Consumers Council of Missouri who stated while they support nuclear energy, they oppose higher utility rates for consumers. Additional opposing testimony was provided by the Sierra Club, Freedom Principal Missouri, AARP, Associated Industries of Missouri, Show-Me Institute, Missouri Coalition for the Environment and Renew Missouri. Informational testimony was presented by Ford Motor Company.

Performance Enhancing Drugs

The Senate Committee on Education convened Tuesday morning for a public hearing on <u>SB 55</u>, sponsored by Mary Elizabeth Coleman (R-Arnold). The bill bars elementary and secondary public, private and charter schools from being a member of a statewide or intercollegiate athletic association that allows for the usage of performance enhancing drugs. If a school or district is found violating the provisions of the bill, they will be ineligible to receive state funding. Additionally, if a student is deprived of any athletic opportunities due to the actions of the school or district, they will have a cause of action against for equitable relief. Supporting testimony was presented by several parents. Informational testimony was presented by PROMO who offered the committee differential details

between taking testosterone for doping purposes and taking testosterone for gender-affirming healthcare. No opposing testimony was presented to the committee.

Pesticide Labeling

The House Committee on Agriculture convened Tuesday morning to discuss passage of <u>HB 544</u>, sponsored by Representative Dane Diehl (R-Butler). The bill's language states a pesticide registered by certain federal agencies or a pesticide label consistent with federal pesticide labeling requirements shall satisfy any warning label requirement regarding cancer under any other provision of law. After a lengthy discussion, the committee narrowly passed the bill by a 13-10 vote.

Police Pensions - STL

The House Committee on Pensions convened Thursday morning to discuss passage of <u>HB 147</u>, sponsored by Representative Barry Hovis (R-Whitewater). The bill modifies the calculation of earned compensation for members of the city of St. Louis Police Retirement System to include any compensation awarded as part of a judgement or settlement to a member of the System who is involved in a legal challenge based on their rank. After no discussion, the committee passed the bill by a 16-0 vote.

Prior Authorization

The House Committee on Insurance convened for a public hearing on HB 618, sponsored by Representative Melanie Stinnett (R-Springfield). The bill allows health providers that have achieved 90% prior authorization approval for healthcare services during a 6-month evaluation period, to not be required to submit prior authorization for the 6 months following that evaluation period. The sponsor stated the intent of the legislation is to help provide timely healthcare and remove the barriers and burdens prior authorization has created for both patients and providers. Supporting testimony was presented by the Missouri Hospital Association who stated prior authorization has become an advantageous tool for health insurers and many states are beginning to push back against prior authorization policies. It was also stated this would allow standardization of payors and payees and restore the balance between providers and health insurers. Additional supporting testimony was provided by several physicians and patients, Texas County Memorial Hospital, St. Louis Children's Hospital, Cox Health, North Kansas City Hospital, Missouri State Medical Association, MU Healthcare, Missouri Osteopathic Physicians and Surgeons, Missouri Gastrological Society, Missouri Psychological Association, Missouri Chapter of the American Academy of Pediatrics, Missouri Society of Eye Physicians and Surgeons, Missouri Nurses Association, Missouri Occupational Therapists Association, Golden Valley Memorial Hospital, Hannibal Regional Hospital, University Healthcare Systems of Kansas City, Mosaic Life Care, Missouri Ambulance Association, Mercy Health Systems and St. Luke's Health System. Opposing testimony was presented by the Missouri Insurance Coalition who stated prior authorization is necessary to ensure medications and treatments are safe, adequate and cost effective. It was also stated the legislation is not necessary to enact "gold card" programs for providers as some insurance companies have already enacted these programs. Additional opposing testimony was provided by the Missouri Health Plan Association, Americas Health Insurance Plans and Blue Cross Blue Shield of Kansas City.

Property Assessments - Real

The House Committee on Ways and Means convened Monday evening to discuss passage of <u>HJR 4</u>, sponsored by Representative Jeff Coleman (R-Grain Valley). This Resolution seeks, upon voter

approval, to change how real property is assessed and reassessed. During discussion, substitute language was adopted which removed the language narrowing the bill to a homeowner's primary residence and allows for rental properties to be included. Once modified, the committee passed the bill by an 8-1 vote.

Property Tax - Personal

The House Special Committee on Tax Reform convened Tuesday afternoon to discuss passage of <u>HB</u> 629, sponsored by Representative Mike McGirl (R-Potosi). The bill modifies several provisions regarding real and personal property. Currently, County Assessors determine the value of new construction and improvements by maintaining a yearly record of increases in valuation for each political subdivision in the county that results from new construction or improvements. The bill requires that beginning January 1, 2027, any increase in the aggregate valuation of personal property for the current year over that of the previous year cannot be counted as new construction. Additionally, personal property is currently assessed at 33.3% of its true value in money as of January 1st of each calendar year. The bill requires that beginning January 1, 2026, personal property must be assessed at 31% of its true value in money. Finally, county assessors currently must use the October issue of the National Automobile dealers' Association Official Used Care Guide to determine the true value of a motor vehicle. The bill requires that the county assessor determine the true value for motor vehicles by using the trade-in value published in any three immediate years of the October issue of a nationally recognized automotive trade publication selected by the State Tax Commission. After no discussion, the committee passed the bill by a 7-3 vote.

The committee then turned its attention to discuss passage of <u>HB 903</u>, sponsored by Representative Richard West (R-Wentzville). The bill requires that beginning January 1, 2026, the percentage of the true value in money at which personal property is assessed will be reduced over a period of three years until it will be assessed at 18% of its true value in money. After no discussion, the committee passed the bill by a 7-3 vote.

Property Tax – Totaled Vehicle

The House Committee on Ways and Means convened Monday evening for a public hearing on HB 708, sponsored by Representative Philip Oehlerking (R-Ballwin). The bill allows for the establishment of a proration program for payments of personal property on totaled motor vehicles by local taxing authorities. A prorated property tax credit may be issued during the same year the tax is owed on the totaled motor vehicle. The sponsor stated some of Missouri's counites already have similar programs in place and he would like all counites to be able to opt in to this program. Informational testimony was presented by the Missouri State Assessors Association who stated it is unclear if assessors have the statutory authority to enact this program by ordinance and this would impact all local taxing districts' revenue streams. Additional informational testimony was provided by the Missouri Municipal League. No supporting or opposing testimony was presented to the committee.

Protection of Children/Vulnerable Persons

The House Committee on Children and Families convened Tuesday morning for a public hearing on <u>HB</u> <u>219</u>, sponsored by Representative Ed Lewis (R-Moberly). The bill modifies several provisions to protect children and vulnerable persons. Specifically, the bill replaces the term "child pornography" with "child sexual abuse materials" throughout current statute and redefines the term. Additionally, the bill also establishes the "Statewide Council Against Adult Trafficking and Commercial Sexual Exploitation of Children" and creates the "Anti-Trafficking Fund." The bill also increases the age from 14 to 18 for the

purposes of statement admissibility and defines "vulnerable person." Finally, the bill modifies the penalty provisions for trafficking a child and the offense of patronizing prostitution. Supporting testimony was presented by the Missouri Network Against Child Abuse who stated this legislation would be another tool in the toolbox to assist the local advocacy centers in assisting trafficking victims and the council needs to be re-instated. Additional supporting testimony was provided by the Child Advocacy Center of Northeast Missouri, crime victim advocates, Kids Win Missouri, Healing Action Network, Missouri Coalition for Children and a private attorney. No opposing testimony was presented to the committee.

Additionally, the House Committee on General Laws convened Tuesday afternoon for a public hearing on HB 224, sponsored by Representative Jeff Myers (R-Warrenton). The bill is similar to HB 219 highlighted above. However, additional provisions within the bill create the "Committee on Sex and Human Trafficking Training" which will establish guidelines for required sex and human trafficking training. Additionally, the Department of Health and Senior Services will require emergency medical personnel, county prosecuting attorneys, social workers and peace officers to receive four hours of sex and human trafficking training. Finally, the bill creates a 20-year statute of limitations for prosecution of certain sex and labor trafficking offenses and enacts civil penalty provisions for those convicted of certain sexual offenses. Supporting testimony was presented by the Missouri Attorney General's Office who stated Missouri's unique highway system creates challenges for preventing the trafficking of vulnerable persons and children and fully support re-implementing the task force. Additional supporting testimony was provided by a retired detective, private citizen, Missouri State Prosecutors Association and Missouri Nurses Association. Opposing testimony was presented by a state public advocate who stated there is no need for another task force or for additional bureaucracy.

Public Safety Omnibus

The House Committee on Legislative Review convened on Wednesday afternoon to discuss passage of HB 495, sponsored by Representative Brad Christ (R-St. Louis). The bill returns the control of the City of St. Louis Police Department back to the Board of Police Commissioners and prohibits the mayor or any city officer from impeding or hindering the board. Additionally, the bill specifies the number of commissioned officers that must be employed in St. Louis City and the makeup of the number of officers within that number. The bill also sets forth a formula for liability claims for the board. Additionally, the bill sets forth penalty provisions for stunt driving, endangering the welfare of a child in the first degree, rioting and resisting arrest and creates the Committee on School Safety. During discussion, substitute language was adopted to mirror SB 52, sponsored by Senator Nick Schroer (R-O'Fallon) which is the Senate companion. Additionally, the substitute added the following provisions:

- If removed from office or resign during a quo warranto process, the same office may not be sought in the future;
- Increases the penalties for child trafficking in Missouri;
- Removes the sunset on crime victim notifications;
- <u>HB 645</u>, modifies provisions relating to ignition interlock device requirements for certain intoxication-related offenses;
- Creates the offense of organized retail theft;
- Requires the collection of the immigration status of all criminal offenders;
- A prohibition on injection sites;
- Creates the offense of filing a non-consensual common-law lien;

- Creates the offense of obstructing government operations;
- Creates the offense of tampering with a water supply;
- Modifies the juvenile offender point system; and,
- Modifies the makeup of the Board of Police Commissioners.

After a lengthy and heated discussion, the committee passed the bill by a 7-3 vote.

Public Water Districts

The House Committee on Local Government convened Wednesday morning for a public hearing on HB 923, sponsored by Representative Bob Bromley (R-Carl Junction). Currently, a decree of dissolution to dissolve a public water supply district must be passed a majority of two-thirds of the voters in the district. The bill reduces the percentage to four-sevenths of the voters in the district. Supporting testimony was presented by Missouri American Water who stated this legislation works in the best interest of the districts working to sell and includes a number of safeguards to prevent takeovers of smaller water districts. Opposing testimony was presented by Missouri World Water Association who stated it is difficult to create a water supply district and it should be equally difficult to dissolve one and these districts can become multi-million dollar assets and shouldn't be dissolved with less than a simple majority. Additional opposing testimony was provided by a state public advocate.

Revitalizing Downtowns and Main Streets Act

The Senate Committee on Economic and Workforce Development convened Wednesday morning for a public hearing on SB 35, sponsored by Senator Steven Roberts (D-St. Louis). The bill seeks to authorize a taxpayer to claim a tax credit equal to 25% of qualified conversion expenditures, as defined in the act, or 30% of qualified conversion expenditures incurred for converting nonresidential real property from office use to residential, retail, or other commercial use. While the authorized tax credits are nonrefundable, they may be carried back three years or forward ten years. They are also transferrable, and may be sold, or assigned. Supporting testimony was presented by the Missouri Main Street Connection who noted that many main streets in cities across the state are in need of revitalization and this bill provides the tools to incentivize these developments. Additional supporting testimony was provided by Greater St. Louis, Inc., St. Charles County Executive Steve Ehlmann, Missouri Chamber of Commerce and Industry, Centers for Community Enrichment, Historic Revitalization for Missouri, Missouri Municipal League, Missouri Economic Development Financing Board, Associated General Contractors, Missouri Bankers Association, St. Louis Electrical Connection, City of Kansas City, AGC Builders of Kansas City, and AARP. No opposing testimony was presented to the committee.

School Bus Endorsements

The House Committee on Transportation convened Tuesday afternoon for a public hearing on <u>HB 296</u>, sponsored by Representative Jim Kalberloh (R-Lowry City) and <u>HB 438</u>, sponsored by Representative Danny Busick (R-Newtown). The bills are similar, <u>HB 438</u> changes the age to 77 from 70 and <u>HB 296</u> changes the age to 75 from 70 for the number of years the license may be renewed. No supporting or opposing testimony was presented to the committee.

School Enrollment/Transfers - Nonresident

The Senate Committee on Education convened Thursday morning for a public hearing on <u>SB 70</u>, sponsored by Senator David Gregory (R-St. Louis) and <u>SB 215</u>, sponsored by Senator Curtis Trent (R-Springfield). The bills allows nonresident pupils to enroll in public school and public charter schools in

the state with certain conditions. The bill outlines the procedures and policies necessary to allow students to transfer between nonresident school districts and creates an online portal that would track the number of students who have applied to enroll in accepting districts. Specifically, the legislation would allow students to leave their local school to enroll in districts that opt into the open enrollment program, including to attend a charter public school. Districts would not be required to add staff or programs, such as special education, for the program. Transportation would be parents' responsibility, unless the child qualifies for free or reduced lunch or has transportation under an individualized education plan. The bill also calls for a fund to pay for bussing these students. Finally, the bill allows any student to participate in open enrollment as long as the transfer does not cause the district to conflict with a provision of an enforceable desegregation court ordered a court approved desegregation plan. The sponsors informed the committee a substitute would be forthcoming which would combine the two bills into one legislative vehicle and include all of Representative Brad Pollitt's negotiated language. Supporting testimony was presented by Outreach for the Children's Education Alliance of Missouri who stated parents simply want choices for their children and are seeking to provide the best educational opportunities. Additional supporting testimony was provided by Missouri Charter School Association, Missouri Century Foundation, Aligned and several parents and educators. Opposing testimony was presented by the Missouri NEA who stated open enrollment could financially harm school districts and they want to ensure resegregation in schools does not occur. Additional opposing testimony was provided by the Missouri School Boards Association, Missouri Council of School Administrators, ArmorVine, Missouri Equity Education Partnership, Cooperating School Districts of Greater Kansas City, Missouri State Teachers Association and the American Federation of Teachers. Informational testimony was presented by the St. Louis Public Schools who stated they are in favor of one provision allowing St. Louis to opt out on a year to year basis, but are opposed to all other provisions. Additional informational testimony was provided by the Special School District of St. Louis.

School Safety Assessments

The Senate Committee on Education convened Tuesday morning for a public hearing on <u>SB 42</u>, sponsored by Senator Angela Mosley (D-St. Louis). The bill requires the Department of Elementary and Secondary Education (DESE) to conduct annual safety assessments of all public schools in the state in consultation with the Department of Public Safety and Missouri Center for Education Safety of each school's vulnerabilities to school shootings and intruders, and provide recommendations on the implementation of appropriate safety procedures, policies, tools, and training protocols. Supporting testimony was presented by the Principal from the Central Visual and Performing Arts School, several student alumni and parents. Informational testimony was presented by the St. Louis Public School District security director who stated funding needs to be set aside for schools after the assessments are completed to address any lapse in security. Additional informational testimony was provided by the Missouri School Boards Association.

School Transportation

The House Committee on Elementary and Secondary Education convened on Wednesday afternoon to discuss passage of <u>HB 538</u>, sponsored by Representative Dane Diehl (R-Butler). The bill expands existing required background checks for school district transportation employees, including drivers of school district vehicles and those contracted to transport students, to include charter schools in the state and specifies that any contracted transportation company is responsible for conducting the background check. During discussion, substitute language was adopted which increases the maximum age for a two-year license for drivers from 69 to 75, waives the licensing fee for any bus driver over the age of 75 and

creates a biennial licensure renewal for commercial bus driving licenses for drivers above the age of 75. Once modified, the committee passed the bill by a 17-6 vote.

Second Amendment Preservation

The Senate Committee on Transportation, Infrastructure and Public Safety convened Wednesday morning to discuss passage of <u>SB 23</u>, sponsored by Senator Rick Brattin (R-Lee's Summit). The bill creates the "Second Amendment Preservation Act" which declares that federal supremacy does not apply to federal laws that restrict or prohibit the manufacture, ownership and use of firearms within Missouri as such laws exceed the scope of the federal government's authority. During discussion, substitute language was adopted to correct a sectional reference error. Once modified, the committee passed the bill by a 5-2 vote.

Sewage Disposal

The House Committee on Local Government convened Wednesday morning for a public hearing HB 200, sponsored by Representative Bill Falkner (R-St. Joseph). Currently, a state standard for the location, size of sewage tanks, and length of lateral lines is based partially on the percolation or permeability rate of the soil, as well as other specified factors. This bill modifies this provision to state that the standard is based partially on soil properties and also establishes the costs associated with testing. Additionally, the bill creates a mandatory registration program requiring continuing education for on-site wastewater treatment system professionals. Supporting testimony was presented by the Missouri Center of Public Health Excellence who stated this legislation would remove many of the regulatory burdens placed on those who must perform duplicative testing on septic tanks and the surrounding areas. Additional supporting testimony was provided by a state public advocate. No opposing testimony was presented to the committee.

Sewer Districts

The House Committee on Local Government convened Wednesday morning to discuss passage of <u>HB</u> 148 sponsored by Representative Barry Hovis (R-Whitewater). The bill would allow water districts, as well as organized and reorganized sewer districts to pay their board members up to \$100 per meeting. After a brief discussion, the committee passed the bill by a 6-1 vote.

Sexual Offenders

The Senate Committee on Judiciary and Civil and Criminal Jurisprudence convened Wednesday morning for a public hearing on SB 134, sponsored by Senator Travis Fitzwater (R-Holts Summit). The bill modifies provisions regarding sexual offenders and the rights of crime victims. Specifically, the bill prohibits any tier III sexual offenders who are parents, guardians or custodian of students from being present in any school buildings or where any school-related activity is taking place. Additionally, the bill classifies certain offenses against children and those with mental disabilities, requires lifetime registration for those convicted of such offenses by electronic monitoring and outlines offenders that are not eligible to petition the court for removal from the sexual offender registry. Finally, the bill allows crime victims under the age of 19 to appear by video during any deposition or hearing. Supporting testimony was presented by the Missouri Network Against Child Abuse who stated the legislation could spare sexual abuse victims further trauma. Additional supporting testimony was presented by a private citizen. Opposing testimony was presented by the Missouri Association of Criminal Defense Lawyers who stated defendants have a right to face their accusers and the legislation is overly broad. Additional opposing testimony was presented by several private citizens and Viewpoints.

State Tax Commission

The House Special Committee on Tax Reform convened Tuesday afternoon to discuss passage of <u>HB</u> 999, sponsored by Representative Ron Fowler (R-Blue Springs). Currently, the State Tax Commission (STC) has the power to issue orders to county assessors and Boards of Equalization. This bill allows counties a minimum of 90 days for counties to comply with orders from the STC and if a county fails to comply, the STC may direct the Department of Revenue to withhold local sales tax moneys that the county would otherwise be entitled to. Additionally, the county is entitled to a judicial review of the STC's determination of non-compliance and if the STC is found to be in error, any revenues withheld may be returned with any interest accrued while withheld. During discussion, a House Committee Substitute was adopted which added language requiring the Commission to ensure that the overall median ratio of the assessment level of all property in a county, and within each class and subclass of property in a county, is between 80 and 100 percent of the market value. Once modified, the committee passed the bill by a 10-0 vote.

Statute of Limitations

The House Committee on Commerce convened Wednesday morning to discuss passage of <u>HB 68</u>, sponsored by Representative Matthew Overcast (R-Ava). The bill amends the law by requiring an injured party to act within two years of an injury instead of 5 years for personal and bodily injury. After no discussion, the committee narrowly passed the bill by a 5-4 vote.

Student Associations

The House Committee on Emerging Issues convened Monday afternoon to discuss passage of <u>HB 875</u>, sponsored by Representative Darin Chappell (R-Rogersville). The bill provides that any ideologic groups of students, have the same ability as all other student organizations in the university systems to be able to exist, have access to spaces, and allows the leadership of these organizations to be selected based on a limitation criteria that the leadership will hold the same position/belief as the group they are leading. There was no discussion before the committee passed the bill by a 7-5 vote.

Student Enrollment - Nonresident

The House Committee on Elementary and Secondary Education convened Wednesday afternoon to discuss passage of HB 711, sponsored by Representative Brad Pollitt (R-Sedalia). The bill allows nonresident pupils to enroll in public schools in the state with certain conditions and outlines the procedures and policies necessary to allow students to transfer between nonresident school districts. Specifically, the legislation would allow students to leave their resident school district to enroll in adjoining districts that opt into the open enrollment program, for a total of up to 3% of the district's student population in the previous year. Transportation would be parents' responsibility, unless the child qualifies for free or reduced lunch or has transportation under an individualized education plan. The bill also establishes the "Parent Public School Choice Fund" to compensate districts for the costs associated with transporting students with specialized needs or who qualify for free and reduced lunch, subject to appropriation. Additionally, the bill prohibits a transferring nonresident student from participating in varsity athletics for at least 365 days and allows any student to participate in open enrollment as long as the transfer does not cause the district to conflict with a provision of an enforceable desegregation court ordered or a court approved desegregation plan. Finally, the bill requires students in a K-8 district wishing to transfer out of the district to do so before their sixth grade year and outlines the process for

transportation reimbursement in the event the General Assembly fails to appropriate sufficient funds to the public school choice fund. After no discussion, the committee passed the bill by a 16-7 vote.

Sunshine Law

The House Legislative Review Committee convened Thursday morning to discuss passage of <u>HB 145</u>, sponsored by Representative Bill Falkner (R-St. Joseph). The bill allows for the closure of records if it contains the personally identifiable information of a minor 17 years of age and under if the record is held by a public governmental body, if the public governmental body is a city, town, village or park board. During discussion, substitute language was adopted which added <u>HB 59</u>, adding an exemption to the sunshine law for state parks records. Once modified, the committee passed the bill by a 10-0 vote.

Survivor Benefit Deductions

The Senate took up and dedicated floor time Wednesday to <u>SB 59</u>, sponsored by Senator Jill Carter (R-Granby). The bill authorizes an income tax deduction for all survivor benefits derived as a result of service in the Armed Forces. During debate, the sponsor offered a floor substitute to correct a drafting error. Senator Doug Beck (D-St. Louis) successfully placed an amendment to expand the provisions to include first responders. Senator Lincoln Hough (R-Springfield) also successfully placed an amendment which changed the title to "Income Tax Deductions" and allow for a \$500 deduction for individual income tax for non-reimbursable expenses for first responders and teachers. Finally, Senator Mike Cierpiot (R-Lee's Summit) successfully placed an amendment which extends the sunset on the long-term dignity savings account program. Once modified, the first of two necessary approval votes was given and the bill was Perfected.

Tax Credit Implementing Structure

The House Special Committee on Tax Reform convened Tuesday afternoon for a public hearing on HB 1007, sponsored by Representative Bill Owen (R-Springfield). The bill is a result of a working group that met throughout the interim. After looking at the numerous tax credits in the State, the committee discovered that there are currently nine tax credits that have zero oversight, 10 tax credits that have zero caps, 19 tax credits that have no sunsets, and several that are expired. The bill seeks to provide a consistent structure and accountability for all tax credits by implementing caps, sunsets, proper oversight, and remove expired sunsets from statute. Opposing testimony was presented by the Missouri Motion Media Association who expressed concern with how the bill is currently drafted and informed committee members that their tax credit is fairly new and expressed concern with not being able to meet some of the threshold outlined in the bill. No supporting testimony was presented to the committee.

Tax Credits

The Senate Committee on Economic and Workforce Development convened Wednesday morning to discuss passage of <u>SB 67</u> sponsored by Senator Mike Henderson (R-Desloge). This bill would ensure that a taxpayer would not be liable for penalties or interest on an income tax balance due if the taxpayer is denied part or all of a tax credit to which the taxpayer has qualified pursuant to any provision of law due to lack of available funds, and such denial causes a balance-due notice to be generated by the Department of Revenue or any other redeeming agency. After no discussion, the committee passed the bill by a vote of 7-0.

Tax Deduction - Private Pensions

The House Committee Pensions convened Thursday morning for a public hearing on <u>HB 44</u> and <u>HB 426</u>, sponsored by Representatives Mike McGirl (R-Potosi) and Jeff Vernetti (R-Camdenton). The bills are identical and increases an individual's income tax adjustments related to private pensions by increasing from \$32,000 to \$64,000 for married filing combined, \$25,000 to \$50,000 for single, and \$16,000 to \$32,600 for married filing single. No supporting or opposing testimony was presented to the committee.

Taxes - Business Licenses

The Senate Committee on Economic and Workforce Development convened Wednesday to discuss passage of <u>SB 145</u> sponsored by Senator Mary Elizabeth Coleman (R-Arnold). This legislation prohibits cities from imposing a business license tax on any business with less than \$10,000 in gross receipts in a calendar year. After a brief discussion, the committee passed the bill by a vote of 5-2.

Taxing Districts

The House Committee on Ways and Means met on Monday evening to discuss passage of <u>HB 660</u> sponsored by Representative Ben Keathley (R-Chesterfield). This legislation would make numerous changes to the law regarding taxing districts and, according to the sponsor, is identical to his <u>HB 2058</u> from 2024. There was no discussion before the committee passed the bill by a 6-3 vote.

Teacher Baseline Salary Grant Program

The House Special Committee on Intergovernmental Affairs convened Monday afternoon for a public hearing on HB 607, sponsored by Representative Ed Lewis (R-Moberly). The bill seeks to clarify language relating to additional funding school districts receive if they have 169 calendar school days. Additionally, the bill delays increasing minimum teaching salaries due to inflation from 2030 to 2035. Finally, the bill limits the grants authorized to 50% of the amount necessary for a district to increase minimum teacher's salaries to meet the threshold. Opposing testimony was presented by the Missouri State Teachers Association who stated this legislation directly rolls back provisions within SB 727 which ensures teacher salaries maintain a baseline less than seven months after that bill was passed and will subvert teacher retention and recruitment efforts. Additional opposing testimony was presented by the Missouri Association of School Administrators. No supporting testimony was presented to the committee.

Telehealth Services

The House Committee on Health and Mental Health convened Tuesday afternoon for a public hearing on HB 822, sponsored by Representative Pattie Mansur (D-Kansas City) and HB 825, sponsored by Representative Melanie Stinnett (R-Springfield). The bills are identical and modify the definition of "telehealth services" to include audiovisual and audio only services and expands which third-party platforms "telehealth services" may be provided. Committee members expressed concerns an "audio only" telehealth service could provide the potential for fraud and there were concerns regarding reimbursement of "audio only" services. Supporting testimony was presented by the Missouri Psychological Association who stated this would allow patient's greater access to care and allow elderly patients greater opportunity to connect with providers without being required to learn new technology. Additional supporting testimony was provided by St. Louis Behavioral Medicine Institute, Burrell Behavioral Health, Community Mental Health Fund of Jackson County, SSM Health, Missouri State Medical Association, Missouri Association of Osteopathic Physicians and Surgeons, Missouri Hospital

Association, BJC Healthcare, Cox Health, Rankin Jordan, Pediatric Bridge Hospital, Reach Healthcare Foundation, Missouri Association of Rural Health Clinics, National Association of Social Workers-Missouri Chapter, Paraquad, Mercy Health Systems, Missouri Rural Health Association, Mosaic Life Care, Missouri Speech-Language and Hearing Association and Missouri Chapter of the Missouri Academy of Pediatrics. No opposing testimony was presented to the committee.

The Senate Committee on Families, Seniors and Health convened Wednesday morning for a public hearing on <u>SB 94</u>, sponsored by Senator Patty Lewis (D-Kansas City). This is the Senate Companion Bill to <u>HB 822</u> and <u>HB 825</u>, highlighted above. Committee discussion and testimony mirrored that of the House hearing.

Underground Facilities

The Senate Transportation, Infrastructure and Public Safety Committee convened Monday afternoon for a public hearing on SB 133, sponsored by Senator Travis Fitzwater (R-Holts Summit). The bill seeks to update the current 8-1-1 system, otherwise known as Dig Right, and requires any underground facility owner to ensure that all new and active underground facilities installed on any real property after August 28, 2024, be installed with a detectable underground location device unless the facility is currently capable of being detected from above ground with an electronic locating device. Supporting testimony was presented by Tweehouse Excavating and the Associated General Contractors of Missouri who stated the language for the 8-1-1 system has not been truly updated since 2014 and Missouri ranks in the bottom percentile for efficiency and effectiveness according to a report released by the Infrastructure Protection Coalition in 2022. Additional supporting testimony was provided by the American Council of Engineering Companies of Missouri. Opposing testimony was presented by the Missouri One Call System, Inc. (Missouri 8-1-1) who stated the provision altering the makeup of the notification center board must be altered as currently excavators do not contribute financially to the 8-1-1 system. Additional opposing testimony was provided by the Missouri Association of Municipal Utilities, Association of Water Districts, Metropolitan St. Louis Sewer District, Missouri Energy Development Association and Gateway Fiber. Informational testimony was presented by the St. Louis Homebuilders Association who stated they have submitted language to address the placement of stormwater and sanitary sewers in residential developments. Additional informational testimony was provided by Spire Missouri Natural Gas. Ameren Missouri and AT&T.

Unemployment Benefits

The Senate Committee on Economic and Workforce Development convened Wednesday morning to discuss passage of <u>SB 8</u> sponsored by Senator Mike Bernskoetter (R-Jefferson City). This legislation seeks to modify the maximum number of weeks an individual can receive unemployment benefits. After no discussion, the committee passed the bill by a vote of 5-2.

Utility Omnibus

The Senate took up and dedicated floor time Tuesday to <u>SB 4</u>, sponsored by Senator Mike Cierpiot (R-Lee's Summit). The bill reclassifies the pipelines in Missouri which transport liquids and gasses from real property to personal property for the purpose of county tax assessments. The intent of the legislation is to standardize the assessment rates for pipelines which would allow for uniformity across the counties of Missouri in how these assets are depreciated. Additionally, the bill allows water, sewer, and gas utilities to use a future test year as part of the traditional 11-month rate case process; repeals certain provisions relating to maximum penalties for violations of federally mandated natural gas safety

standards and provides that the maximum penalties shall not exceed an amount as determined by the Secretary of Transportation of the United states; and allows gas companies to offer a discount for large users, which also includes consumer protections. During debate, the sponsor offered a floor substitute which added provisions of SB 5 which allows trustees of reorganized common sewer districts to receive compensation by repealing current provisions; and requires the PSC to make a decision on the purchase of small water systems within 6 months but allows for an extension of 30 days for good cause. If the PSC does not issue a decision within those 30 days, the application shall be automatically approved. Additionally, the bill modifies state statute to allow water utilities which provide service to 8,000 water, sewer, or a combination of both, to be classified as a large water utility. Additionally, the substitute added provisions of SB 6 which requires that prior to the closure of an existing power plant, the electric utility must replace it with equal or greater amounts of reliable generation and ensure that the replacement generation is fully operational within 120 days of closing the existing plant. Additionally, the bill modifies provisions relating to the current renewable energy standards by preventing businesses that use renewable power and have entered into contracts with utilities from being charged twice. The bill also provides utilities a depreciation of 90% of expenses, instead of 85%, and extends the sunset date from December 31, 2028 to December 31, 2035. Finally, the bill allows the Public Service Commission to directly contract counsel, financial advisors, or other consultants as necessary for the purpose of reviewing financing orders for energy transition costs. Senator Tracy McCreery (D-St. Louis) offered an amendment which would have removed the expansion of PISA and the future test year provisions. Ultimately, the bill was laid over for further debate on another day.

Video Lottery Terminals

The House Committee on Emerging Issues convened Monday afternoon to discuss passage of HB 970, sponsored by Representative Bill Hardwick (R-Dixon). The bill establishes the "Honoring Missouri Veterans and Supporting MO Education Act", which seeks to legalize and provide the framework for video lottery terminals for placement in fraternal organizations, veteran organizations, truck stops, convenience stores, bars, restaurants, liquor stores, and grocery stores. Each authorized location may host up to twelve terminals. During committee discussion, substitute language was adopted which lowers the fees to \$100,000, reduces the penalty provisions from a felony to a misdemeanor, clarifies the provisions within the bill do not affect VFW bingo games, allows the Lottery to promulgate reasonable rules for placement which cannot include prohibition and the contract must be per location and not per retailers. Once modified, the committee passed the bill by an 8-5 vote.

Voter Eligibility Act

The Senate Committee on Local Government, Elections and Pensions convened Monday afternoon for a public hearing on SB 62, sponsored by Senator Ben Brown (R-Washington). The bill modifies various provisions regarding elections. Specifically, the bill requires documentary proof of United States citizenship. Additionally, the bill requires the Secretary of State and election authorities to perform system maintenance on a quarterly basis rather than a regular basis and requires circuit clerks to submit monthly a report of those identifying themselves as non-citizens who report to jury duty. Finally, the bill allows the Secretary of State to refer election offenses to the Attorney General rather than the local prosecuting attorney. Supporting testimony was presented by Americans for Citizen Voting who stated the bill offers common sense requirements for registering to vote and are the same requirements when seeking a Real ID and this would help maintain accurate voter rolls. Additional supporting testimony was provided by Heritage Action for America, the Secretary of State's Office, Secure Election Project, Liberty Link and Gasconade County Republican Club. Opposing testimony was presented by the

Missouri Voter Protection Coalition who stated this legislation could impact those attempting to vote absentee and would limit third-party voter registration drives. Additional opposing testimony was presented by Secure Democracy, League of Women Voters of Missouri, the ACLU of Missouri and Missouri NEA. Informational testimony was presented by the St. Louis County Election Board who stated the legislation as written would lead to a need for two voter different voter registration cards and lead to costly and extra work for election officials and a significant number of voters only being allowed to vote in federal races. Additional informational testimony was presented by the St. Charles County Election Authority.

Water Exportation

The Senate Committee on Agriculture, Food Production and Outdoor Resources convened Thursday morning to discuss passage of SB 82, sponsored by Senator Jamie Burger (R-Benton). The bill specifies that it is unlawful for any person to withdraw from any water source for export outside the state of Missouri unless a water export permit issued by the Department of Natural Resources is held. Additionally, the bill requires a permit application recommendation be submitted to the General Assembly and the permit is deemed denied if the General Assembly does not take action on the recommendation within sixty days. Finally, the bill outlines the process for renewing issued permits. During discussion, substitute language was adopted to clarify the Department of Natural Resources must notify the county commission within 30 days of receiving a permit application, allows designees to be assigned for the members of the Missouri Water Resources Commission to ensure representation and removed a redundant statutory reference. Once modified, the committee passed the bill by a 5-0 vote.

The committee then turned its attention to discuss passage of <u>SB 29</u>, sponsored by Senator Jason Bean (R-Peach Orchard) and is identical to <u>SB 82</u>, highlighted above. During discussion, substitute language was adopted to ensure the language mirrors <u>SB 82</u>. Once modified, the committee passed the bill by a 5-0 vote.

Bills of interest to you:

(Insert bills or links here)

Hearing Schedules:

House Senate

Calendars

<u>House</u> Senate

Key Upcoming Dates:

- February 26, 2025 State of the Judiciary 10:30am House Chamber
- March 1, 2025 Last day to introduce legislation
- March 17-21, 2025 Legislative Spring Break
- April 21, 2025 Easter Holiday No Session
- May 9, 2025 Fiscal Year 2026 budget bills must be passed by 6 pm
- May 16, 2025 Last day of Legislative Session – adjourn by 6pm
- July 14, 2025 Last day for the Governor to sign or veto legislation
- September 10, 2025 Veto Session

-End of Report-



