



PUBLIC
POLICY

MISSOURI

Legislative Update

Legislative activity was abbreviated this week as legislators enjoyed the annual Easter break Monday. Reconvening early Tuesday, the legislature seemed to make up lost time. Despite working ardently each day to clear floor calendars, the real floor action is about to begin. With three weeks remaining and most legislative priorities awaiting action, the House and Senate floors are likely to be feisty and chaotic places in the days ahead.

Extended-release opioids

The House Health and Mental Health Committee convened Tuesday morning to consider SB 275, sponsored by Senator David Sater (R-Cassville). The bill limits prescription of long-acting or extended-release opioids by dentists. According to the bill sponsor, dentists prescribe 12% of all opioids and his objective is to minimize opioid addictions and death by limiting duration and dosage of prescriptions. The MO Dental Board and MO Dental Association provided supporting testimony. No opposing testimony was presented.

STEM fund

The House Elementary and Secondary Education Committee held an executive session Tuesday morning to consider passage of HB 696, sponsored by Representative Ron Hicks (R-Dardenne Prairie). The bill allows a Missouri business, which hires a STEM student attending a Missouri college for an internship in Missouri, or a STEM graduate from a Missouri college for a full-time STEM position in Missouri, to apply \$10,000 of state tax liability into the STEM Fund. Additionally, the bill removes endowed teaching professor programs and career enhancement programs from the list of programs eligible for moneys from the fund. After no discussion, the committee passed the bill by a unanimous 10-0 vote.

Sales tax cap

The Senate Ways and Means Committee held an executive session Tuesday afternoon to consider passage of HB 374, sponsored by Representative Phil Christofanelli (R-St. Peters). The bill, as originally filed, creates a statewide cap preventing political subdivisions from adopting sales tax rates higher than 14%. This cap includes the combination of all state and local sales taxes. During the bill's progression through the House committee process, substitute language was adopted to remove cap language and replace it with provisions requiring sales tax ballots to include accumulative data of all local taxes to inform voters of actual tax burdens within their municipalities. Additionally, the bill requires any seller who sells more than \$500,000 worth of goods per year to clearly state on the sales receipt or sales invoice the total rate of all sales tax imposed on the sale. During Senate committee discussion, substitute language was adopted requiring tax ballots to include the highest rate instead of all local taxes and requires the Department of Revenue to provide tax rate information to the political subdivisions. Additionally, the substitute included language from SB 483, which modifies provisions for

telecommunications taxes in that it allows phone companies to utilize traffic studies to properly tax bundled services that include intrastate calls. Once modified, the committee passed the bill by a 3-1 vote.

Port authority

The Senate Economic Development Committee convened Tuesday afternoon to discuss passage of HB 1061, sponsored by Representative Jon Patterson (R-Lee's Summit). The bill exempts sales and leases of real or personal property made by or to any port authority involving the use of such tax-exempt bonds from taxation. Within minutes, the committee passed the bill.

Tax credit sunsets

The House Ways and Means Committee convened Wednesday morning to consider passage of HB 1243, sponsored by Representative Jeff Messenger (R-Republic). The bill places a sunset on all tax credits without sunset provisions. During committee discussion, substitute language was adopted that creates a committee dedicated to studying and reviewing the state's tax credit programs. Once modified, the committee passed the bill by a 6-3 vote.

Border war

The House dedicated floor time Wednesday morning to consider passage of SB 182, sponsored by Senator Mike Cierpiot (R-Lee's Summit). The bill modifies provisions relating to the issuance of certain incentives to businesses relocating from certain counties in Kansas and Missouri. The proposal is in response to what is commonly referred to as the "border war" and will help curb lease jumping and abuse of economic development tools within a seven-county region surrounding Kansas City. During floor debate, Representative Sheila Solon (R-St. Joseph) amended the bill to create a land bank for the City of St. Joseph. Once modified, the House passed the bill by a vote of 132-13. Due to drafting errors within the land bank provisions, the House reconsidered the bill's passage Thursday morning. After modifying the errors, the House once again passed the bill by a vote of 126-14. The bill now will be returned to the Senate for acceptance of the modified bill or redirection to a conference committee to reconcile Senate and House differences.

Film tax credit

The House dedicated floor time Wednesday afternoon to consider passage of HB 923, sponsored by Representative Kathy Swan (R-Cape Girardeau). The bill authorizes a tax credit for qualified film projects and caps the program at \$4.5 million. During debate Representative Dean Dohrman (R-La Monte) amended the bill requiring any films to include "made in Missouri" and have a Missouri logo. Representative Jered Taylor (R-Republic) further amended the bill requiring the state to fund the tax at 90% and require 1% to be provided by local municipalities hosting films. Lastly, Representative Ben Baker (R-Neosho) amended the bill requiring any applicant for the credit to disclose any political contributions donated over \$25. Once modified, the House provided its first of two necessary approval votes.

Bill listing

As always, an updated bill listing is attached for your review.