



January 19, 2024

This was a short workweek given the Dr. Martin Luther King Jr. holiday, which was observed Monday. Despite abbreviated days, much action occurred. Committees are in full swing, bills are being referred, and public hearings are being conducted. It appears to be a busy and action-filled five months ahead in the House. The Senate, on the other hand, continues to struggle with personality politics and Republican infighting. With tensions already high, Senators found themselves locked into their first filibuster of the session late into Thursday evening.

State of the State – January 24th

Governor Mike Parson (R) will deliver his annual State of the State Address to a joint session of the Missouri House of Representatives and Missouri Senate at 3:00 on Wednesday, January 24th. During the speech, the Governor will outline his legislative and budgetary priorities for this session. The address will be live streamed on Governor Parson's Facebook page and the House of Representatives website.

Budget Update - FRA

The Senate Appropriations Committee met to discuss SB 748, sponsored by Senator Lincoln Hough (R-Springfield). The bill removes the sunset placed currently on Missouri's federal reimbursement allowance program. The FRA tax is a healthcare provider tax used to draw down millions in federal matching dollars for the state's Medicaid program. As expected, numerous health and business entities joined to support the tax and shared that the program generates over \$4.3 billion. Missouri Right to Life opposed the legislation stating pro-life language is essential to protect life and no taxpayer dollars should be dedicated to Planned Parenthood. The committee reconvened Thursday morning to consider bill passage. After a brief discussion regarding the pro-life language, the bill passed without it by a 12-1 vote.

Committee Activity

Childcare tax credit

The House Committee on Workforce and Infrastructure Development convened Wednesday afternoon to consider passage of HB 1488, sponsored by Representative Brenda Shields (R-St. Joseph). The bill establishes the "Childcare Contribution Tax Credit Act." Beginning January 1, 2025, the proposal allows childcare facilities, employers, and working parents to claim tax credits with a goal of reducing barriers for working parents deciding to enter or reenter the workforce. The program has a sunset of December 31, 2030. After no discussion or bill modifications, the committee passed the bill by a 10-0 vote.

The Senate Committee on Governmental Accountability convened Thursday morning to discuss SB 742, sponsored by Senator Lauren Arthur (D-Kansas City). The bill is the senate companion to HB 1488, highlighted above. The Missouri Chamber of Commerce, Jefferson City Chamber of Commerce, United WE, Civic Council of Greater Kansas City, Greater Kansas City Chamber of Commerce, City of Kansas

City, BJC Healthcare, Cox Health, Goodwill of Western Missouri, Missouri Goodwill Industries, Children's Trust Fund, Kids Win Missouri, National Association of Social Workers, Columbia Chamber of Commerce, Missouri Retailers Association, Missouri Grocers Association, Campaign Life Missouri, Greater St. Louis Inc., Missouri Alliance of Boys and Girls Club, Missouri Economic Development Council, Missouri Hospital Association, Child Care Aware of Missouri, University Health, JE Dunn Construction Company, Aligned Missouri, a daycare owner and operator, and Catholic Charities of Missouri provided supporting testimony. No opposing testimony was presented to the committee.

Childcare cost-sharing

With a new approach, Senator Greg Razer (D-Kansas City) appeared before the Senate Committee on Government Accountability Thursday morning to present SB 881. Subject to appropriations, the bill establishes a pilot program to facilitate access to childcare for Missouri employees and includes a cost-sharing arrangement between participating employers, employees, and the state to equally share the cost of childcare services provided by a childcare provider. The sponsor stated that the proposal is an opt-in rather than an opt-out program and is another tool to allow access for childcare in Missouri. Campaign Life Missouri, Missouri Chamber of Commerce, City of Kansas City, **Greater Kansas City Chamber of Commerce, Civic Council of Kansas City**, United WE, Greater St. Louis Inc., Missouri Grocers Association, Missouri Retailers Association, and Missouri Catholic Conference provided supporting testimony. No opposing testimony was presented to the committee.

Blair's law

The Senate Judiciary and Civil and Criminal Jurisprudence Committee met Wednesday afternoon to discuss SB 788, sponsored by Senator Greg Razer (D-Kansas City). The bill creates "Blair's Law," which specifies that a person commits the offense of unlawful discharge of a firearm if he or she discharges a firearm within or into city limits. Any such person shall be guilty of a class A misdemeanor for the first offense, a class E felony for the second offense, and a class D felony for any third or subsequent offenses. The City of Kansas City, **Greater Kansas City Chamber of Commerce, Civic Council of Greater Kansas City**, Missouri State Troopers Association, Missouri Chamber of Commerce, City of St. Louis, City of Independence, Missouri Police Chiefs, Missouri FOP, Kansas City FOP, and the St. Louis Police Officers Association testified in support of the legislation. There was no testimony in opposition.

Regulatory sandbox act

The House Economic Development Committee convened Wednesday morning to consider passage of HB 1960, sponsored by Representative Alex Riley (R-Springfield). The bill creates the Regulatory Sandbox Act, which provides an **expedited pathway for small businesses creating innovative products to navigate state regulation and oversight**. To spur entrepreneurship and innovation, the language allows for the waiver or suspension of certain regulations for two years by applying to the Regulatory Relief Office created within the Department of Economic Development. After no discussion, the committee passed the bill by an 11-0 vote.

MO Bucks program

The Senate Committee on Insurance and Banking met Wednesday afternoon to discuss SB 736, sponsored by Senator Sandy Crawford (R-Buffer). The bill raises the aggregate amount the state treasurer may invest in linked deposits from \$800 million to \$1.2 billion. State Treasurer Vivek Malek

provided supporting testimony stating the cap needs to be removed as the demand is higher than the current cap and the first cap of \$120 million was reached on the first day the program opened. Additional supporting testimony was provided by the Missouri Bankers Association, Missouri Chamber of Commerce, FCS Financial, Missouri Farm Bureau, Missouri Independent Bankers Association, and Associated Industries of Missouri. No opposing testimony was presented to the committee.

Advanced industrial manufacturing

The House Committee on Economic Development convened Wednesday morning to discuss HB 1480, sponsored by Representative Brad Christ (R-St. Louis). The bill establishes a tax credit for up to 20% of a capital investment in property made by a qualified manufacturing company for up to five years. The capital investment must equal at least \$1 billion and create 500 or more jobs in Missouri. The total amount of tax credits issued annually may not exceed \$200 million. The intent of the legislation is to help attract large manufacturing companies to Missouri. Greater St. Louis Inc., Ameren Missouri, **Greater Kansas City Chamber of Commerce, Civic Council of Kansas City**, Hunt Midwest, Missouri Economic Development Council, Missouri Chamber of Commerce and Industry, Missouri Community College Association, and Springfield Chamber of Commerce provided supporting testimony. No opposing testimony was presented to the committee.

Regional planning commission funding

The House Committee on Local Government convened Tuesday morning to discuss HB 2074, sponsored by Representative Dale Wright (R-Farmington). Currently, state funding for the East-West Gateway Coordinating Council and the Mid-America Regional Council shall not exceed \$65,000 and other planning commissions shall not exceed \$25,000. The bill increases the sums from \$65,000 to \$130,000 and from \$25,000 to \$50,000, respectively. Additionally, the bill requires the maximum grant amount to be adjusted with the consumer price index beginning July 1, 2026. The Southeast Missouri Regional Planning Commission, Missouri Association of Council Governments, Missouri Municipal League, and Municipal League for Metro St. Louis provided supporting testimony stating regional planning commissions help to author and implement each region's comprehensive economic development strategies, help to implement local transportation planning activities, and help SEMA coordination. No opposing testimony was presented to the committee.

Gender policies and bathroom designation

The House Committee on Emerging Issues convened Thursday afternoon for a nine-hour hearing to debate seven bills relating to gender affirming care and gender designations of bathrooms and locker rooms. Specifically, the committee heard the following bills:

1. HB 1520, sponsored by Representative Brad Hudson (R-Cape Fair), which removes the sunset on a state prohibition on the prescribing or administering of cross-sex hormone or puberty blocking drugs on those under 18 and removed the grandfather clause agreed to last session.
2. HB 1519, sponsored by Representative Brad Hudson (R-Cape Fair), which allows health care professionals and institutions to opt-out of providing any gender affirming care if it is contrary to their moral, ethical, or religious beliefs.
3. HB 1674, sponsored by Representative Mark Matthiesen (R-St. Charles), which establishes the "Employee Restroom and Locker Room Access Act" prohibiting employers from requiring employees to share a bathroom.
4. HB 2355, sponsored by Representative Ben Baker (R-Neosho), which establishes gender designations in bathrooms and locker rooms in schools.

5. HB 2357, sponsored by Representative Chris Lonsdale (R-Liberty), which establishes gender designations in bathrooms and locker rooms in schools.
6. HB 2308, sponsored by Representative Adam Schnelting (R-St. Charles), which modifies the Missouri Human Rights Act by adding definitions to the words “sex,” “female,” and “male.”
7. HB 2309, sponsored by Representative Adam Schnelting (R-St. Charles), which establishes the “Defining SEX Act.”

The Catholic Conference, Catholic Medical Association, and several private citizens provided supporting testimony. Over three hundred organizations and private citizens, including the National Association of Social Workers-Missouri Chapter, PROMO, Missouri Chamber of Commerce, **Greater Kansas City Chamber of Commerce**, City of Kansas City, City of St. Louis, Missouri NEA, Greater St. Louis Inc., and Missouri ACLU provided opposing testimony to various provisions of the various bills.

Charter school expansion

The House Special Committee on Education Reform convened Wednesday afternoon and dedicated over two hours discussing three bills that seek to expand charter schools in the St. Louis, St. Charles, and Columbia school districts and include HB 1485, HB 1764, and HB 1941, sponsored by Representatives Brad Christ (R-St. Louis), Justin Hicks (R-Lake St. Louis), and Cheri Toalson Reisch (R-Hallsville), respectively. Citing the decline in public school, the sponsors’ intent is to provide parents and students more choices. During bill presentation committee members questioned what accountability measures charter schools have and questioned how charter schools differ from public schools on alleviating poverty and violence in communities. Numerous citizen advocates, along with parents and teachers provided supporting and opposing testimony.

Business closure remedies due to shutdown orders

The House Special Committee on Small Business convened Wednesday afternoon to discuss HB 2381, sponsored by Representative Chris Brown (R-Kansas City). The bill establishes the “Protecting Missouri’s Small Business Act, which changes law regarding businesses closed due to a health department or political subdivision shutdown order. The language creates a framework for businesses to recoup losses incurred via license tax waivers and property tax refunds. No supporting testimony was presented. Freedom Principle Missouri testified in opposition to the bill.

Public safety

The House Committee on Crime Prevention convened Thursday morning to discuss HB 1659, sponsored by Representative Lane Roberts (R-Joplin). This **omnibus crime reduction bill includes 22 various provisions** that passed during the 2023 legislative session but was vetoed due to problematic language no longer contained within the proposal. Specifically, the bill seeks to modify provisions relating to juvenile offenders, persistent offenders, wrongful conviction, armed criminal action, a cyberstalking and harassment task force, endangering the welfare of a child, Blair’s law, unlawful possession of a firearm, law enforcement animals, drug trafficking, and the office of the public defender. With the inclusion of multiple provisions, the committee dedicated over three hours discussing the bill and considering testimony. The MO Office of Prosecuting Attorneys, MO Chamber of Commerce, MO State Troopers Association, MO Sheriffs United, MO FOP, MO Police Chiefs Association, KCPD, City of Kansas City, **Greater Kansas City Chamber of Commerce, Civic Council of Greater Kansas City**, MO Retailers Association, and the MO Grocers Association. Families Against Mandatory Minimums (FAMM)

specifically opposed two provisions relating to persistent offenders and armed criminal action, as FAMM essentially takes a position against expanding mandatory minimums. The MO Public Defenders Office testified for informational purposes regarding the MO Public Defender Fund and informed committee members the intent of that provision is to allow private donations to go directly to the Public Defender's Office to provide the ability to help the defenseless.

Bill Tracker

Bills continue to be filed daily. Please find an updated bill list using the following link: <https://govwatch.net/report/3BrZGXRqA5>

Upcoming Hearings of Interest

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

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

Key Upcoming Dates

- January 24, 2024- State of the State Address
- February 7, 2024 – State of the Judiciary
- March 1, 2024 – Last day of bill filing
- March 18-22, 2024 - Legislative spring break
- April 1, 2024 – Easter break (no session)
- May 10, 2024 – Final day to constitutionally pass the FY 2025 budget
- May 17, 2024 – Last day of the 2024 legislative session
- August 6, 2024 – Missouri primary elections
- September 11, 2024 – Veto session
- November 5, 2024 – Missouri general elections

My thanks,

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KC Chamber *Rescheduled* Missouri State Affairs Meeting

Senate Minority Leader J.J. Rizzo & House Floor Leader Dr. Jon Patterson

January 26, 11:30 a.m.-1:30 p.m.

Chamber Boardroom, Union Station

Register Today: Email klooney@kcchamber.com