# **February 2, 2024**

Senate Republican infighting continued this week as Freedom Caucus members grappled with Senate leadership over gubernatorial appointments and progression of initiative petition reform bills. The House continues to work through its priorities and approved its first bill relating to open enrollment. With five weeks of legislative session complete and fourteen remaining, all eyes remain on the Senate as discord seems to be the theme of each day.

### **Budget Update**

The House Budget Committee convened daily this week to receive budget presentations from various state departments regarding the FY2024 supplemental budget and the FY2025 budget recommendations proposed by Governor Mike Parson. The committee also reviewed three capital improvement bills (HB 17, HB 18, and HB 19). The ARPA capital improvement bill (HB 20) will be reviewed later.

The Senate Appropriations Committee also convened this week to review the FY2025 MO Department of Higher Education and Workforce Development budget recommendations. It is expected remaining departments will present their budgets to House and Senate Appropriation Committees next week, which will lead to the House beginning to craft its version of the budget.

## **Committee Activity**

#### Early childhood education funding

The House Committee on Elementary and Secondary Education convened in executive session Wednesday morning to consider passage of HB 1486, sponsored by Representative Brenda Shields (R-St. Joseph). The bill proposes to fund every child who attends an early childhood program provided by a public or charter school district and meets the qualifications for free and reduced lunch in the year prior to beginning kindergarten at an amount equal to the state adequacy target. After no discussion, the committee passed the bill by a 10-6 vote.

#### **Earnings tax**

The House Economic Development Committee convened Wednesday morning to discuss HB 2106, sponsored by Representative Phil Christofanelli (R-St. Peters). The bill exempts St. Charles County residents who work in St. Louis City from paying earnings tax. During committee discussion, some committee members expressed concern with eliminating the tax without better understanding the impact on the city and how to replace the revenue. No supporting testimony was presented to the committee. The City of St. Louis and the Missouri State Council of Firefighters opposed the bill.

The committee then turned its attention toward HB 1516, sponsored by Representative Jim Murphy (R-St. Louis). Current law authorizes the cities of Kansas City and St. Louis to levy earnings taxes, which are imposed on salaries, commissions, and other compensation earned by nonresidents for work or services performed in the city. This proposal disallows earnings taxes being assessed on work rendered outside city limits through telecommuting or other remote means and allows impacted residents to request refunds for any earnings tax levied. Additionally,

the bill requires the City of St. Louis to submit a quarterly report detailing receipts from the earnings tax as long as the city imposes the tax, effective September 30, 2024. No supporting testimony was presented. The City of St. Louis and the Missouri State Council of Firefighters opposed the bill.

#### Blair's law

The House Special Committee on Urban Issues convened Monday afternoon to consider passage of HB 1437 and HB 1477, sponsored by Representatives Sherri Gallick (R-Belton) and Representative Mark Sharp (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. During committee discussion, substitute language was adopted to combine the bills into one legislative vehicle. Once modified, the committee passed the legislation by a 4-0 vote.

### Regional planning commission funding

The House Rural Community Development Committee convened Monday afternoon to discuss HB 2069, sponsored by Representative Don Mayhew (R-Crocker). 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 sponsor stated the limits have not been increased since 1966. Missouri Association of Council of Governments, Missouri Association of Counties and Missouri Municipal League provided supporting testimony. ArmorVine presented opposing testimony stating these planning commissions can sometimes work against the people.

#### **Driver's license modification**

The House Special Committee on Homeland Security convened Monday afternoon to discuss HB1413, sponsored by Representative Dan Stacy (R-Blue Springs). Beginning July 1<sup>st</sup>, 2025, the bill requires Missouri driver's licenses to have a distinguishing mark to show proof of citizenship. Beginning July 1<sup>st</sup>, 2031, the license also must have the mark to establish a voter's qualification to vote. The Department of Revenue and Secretary of State presented informational testimony about voter registration. The Board of Election Commission presented supporting testimony stating the bill will better assist election officials. No opposing testimony was presented to the committee.

### Initiative petition reform

The Senate Local Government and Elections Committee convened Monday afternoon to hear twelve bills relating to the initiative petition process, which included SJR 48, SJR 74, SJR 49, SJR 79, SJR 51, SJR 77, SJR 83, SJR 61, SJR 73, SJR 56 and SJR 59, sponsored by Senators Denny Hoskins (R-Warrensburg), Mary Elizabeth Coleman (R-Arnold), Andrew Koenig (R-Manchester), Ben Brown (R-Washington), Bill Eigel (R-St. Charles), Jill Carter (R-Granby), Bill Eigel (R-St. Charles), Mike Moon (R-Ash Grove), Nick Schroer (R-O'Fallon), Mike Cierpiot (R-Lee's Summit), and Rick Brattin (R-Harrisonville), respectively. The proposed resolutions vary by limiting proposed constitutional amendments to a single subject, requiring a statewide majority of the votes plus a majority of votes in five of the eight congressional districts, requiring the Secretary of State to provide voters in each congressional district with a review period to provide comments on petitions, and prohibiting any foreign involvement in process.

Testimony in support varied by the proposal and provision but ultimately was provided by Right to Life, Campaign for Life, Missouri First, ArmorVine, Missouri Farm Bureau, Missouri Soybean Association, and the American Action Fund. Testimony in opposition was similar and was provided by dozens of private citizens, Missouri Voter Protection Coalition, Jobs with Justice Voter Action, Missouri NEA, ACLU, Missouri Association of Realtors,

Empower Missouri, Missouri Budget Project, League of Women Voters, Paraquad, Sierra Club, Coalition for the Environment, and the Missouri Parks Association.

The committee reconvened Tuesday morning to consider passage of SJR 74, sponsored by Senator Mary Elizabeth Coleman (R-Arnold). During committee discussion, substitute language was adopted to require the concurrent majority be based on a majority statewide plus a majority of state House districts. Once modified, the committee passed the bill by a 5-2 vote.

The House Committee on Elections and Elected Officials also convened Tuesday to discuss three bills relating to initiative petitions. These are companion bills to the Senate bills detailed above. Specifically, the committee heard HJR 76, HJR 86, and HJR 119, sponsored by Representatives Brad Hudson (R-Cape Fair), John Black (R-Marshfield), and Dave Hinman (R-O'Fallon), respectively. The resolutions are similar and end the simple majority rule and replaces it with concurrent majority requirements, requires a public forum be conducted by the Secretary of State for initiative petitions, and requires those proposing initiative petitions be U.S. citizens. The testimony mirrored that from above.

After the hearing, the House Elections and Elected Officials Committee turned its attention to passage of HB 1749, sponsored by Representative Mike Haffner (R-Pleasant Hill), which requires circulated petitions to include dark ink and 12-point font and margin settings, requires signatures to be disqualified if the summary statement is altered by the courts, and provides the Attorney General and Secretary of State unprecedented authority to determine if the proposed language is constitutional. During committee discussion, substitute language was adopted to specify black ink must be used on petitions. Once modified, the committee passed the bill by a 12-5 vote.

#### Tax credits

The House Committee on Government Efficiency and Downsizing convened Wednesday morning to discuss HB 2319, sponsored by Representative Bill Owens (R-Springfield). The bill is a result of a working group that met throughout the interim. After looking at the state's numerous tax credits, the committee discovered that there currently are nine tax credits that have zero oversight, 24 tax credits that have zero caps, 34 tax credits that have no sunsets, and several that are defunct. The bill seeks to provide consistent structure and accountability for all tax credits by implementing caps, sunsets, proper oversight, and remove expired sunsets from statute. During bill presentation, the sponsor stated his intent is to further evaluate all tax credits. No supporting or opposing testimony was presented to the committee.

### St. Louis police

The Senate Committee on Transportation, Infrastructure and Public Safety convened Wednesday morning to consider passage SB 808, sponsored by Senator Nick Schroer (R-St. Charles). The bill establishes the "Safer St. Louis Act of 2023" and returns control of the City of St. Louis Police Department to the Board of Police Commissioners and prohibits the mayor or any city officer from impeding or hindering the board. The bill also specifies the number of commissioned officers that must be employed in St. Louis City. During committee discussion, substitute language was adopted to eliminate the president of the board of aldermen commission's seat and restore the mayor's seat on the board. Once modified, the committee passed the bill by a 5-1 vote.

## Waterways and ports trust fund

The House Transportation Infrastructure Committee convened Wednesday afternoon to discuss HB 2352, sponsored by Representative Cindy Buchheit-Courtway (R-Festus). The bill loosens eligibility requirements and changes completion time to two years within appropriation of legislative funds. The sponsor stated the bill is necessary because of difficulties faced by port authorities when trying to access appropriated funds. Jefferson County Port Authority, Lewis County Port Authority, and Port KC provided supporting testimony. No opposing testimony was presented to the committee.

## **Jackson County Assessor**

The House Committee on Property Tax Reform convened Wednesday afternoon to consider passage of HJR 79 and HJR 68, sponsored by Representatives Jeff Coleman (R-Grain Valley) and Dan Stacey (R-Blue Springs), respectively. Currently, the Missouri Constitution requires all county assessors, except the Assessor of Jackson County, to be elected officers. Upon voter approval, these resolutions eliminate that exemption. During committee discussion, substitute language was adopted to combine both resolutions into one legislative vehicle. Once modified, the committee passed the resolution by a 27-1 vote.

#### **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: <a href="https://house.mo.gov/AllHearings.aspx">https://house.mo.gov/AllHearings.aspx</a>

Senate: <a href="https://www.senate.mo.gov/hearingsschedule/hrings.htm">https://www.senate.mo.gov/hearingsschedule/hrings.htm</a>

## **Key Upcoming Dates**

· 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 Missouri State Affairs Meeting** 

Senate Floor Leader Cindy O'Laughlin, Senator Greg Razer,
Representative Brenda Shields

February 9, 12-1:15 p.m.
Chamber Boardroom, Union Station

RSVP to February Missouri State Affairs Committee Meeting