



February 16, 2024

What began as an exciting week to celebrate a repeat KC Chiefs Super Bowl victory, ended in a tragic multi-victim shooting near Union Station in Kansas City. Twenty-three victims ranging between 8 – 47 years old fell prey to two juvenile suspects, both of which have been detained. Reportedly, half of the victims are under 16. Law enforcement responded, those in attendance responded, and people helped one another. As city, state and federal partners continue to investigate and release information, we simply will be thankful for their coordination and quick response.

Accordingly, the legislative week was abbreviated.

In Brief

- On Tuesday, the Kansas City Royals announced their plan to build the team’s new stadium in the Crossroads district. The new stadium will replace the former Kansas City Star printing press, which covers the block from Truman Road to 17th Street and McGee Street to Oak Street. The plan includes a baseball stadium, team offices, hotel, a residential and entertainment venue, improvements to Grand Boulevard, and a bridge connecting the stadium to the planned South Loop Link Project.
- The Springfield City Council unanimously voted Monday evening to approve a bill banning video lottery terminals that continue to spread throughout the state. The ordinance leaves undisturbed legitimate arcades that offer toys and prizes as well as live games offered for fan entertainment during sporting events.
- On Tuesday, the St. Louis County Police Department announced a public-private partnership aimed at establishing a customized childcare and early childhood education center. The initiative will play a crucial role in recruiting and retaining police officers within the county. The project has been made possible through a substantial private funding commitment from the Michael and Noémi Neidorff Family Foundation.

Budget Update

The House and Senate Appropriations Committees continued to meet this week and hear from various state departments regarding the FY2025 gubernatorial recommendations and new decision items. The **federal reimbursement authorization** bill needs to be passed by both chambers to avoid shortfalls in the Medicaid program. Public testimony on the various budget bills will begin next week. This timeline still allows for the House to craft its version of the budget before the legislative spring break in March.

Senate Floor Activity

Ballot measures

The Senate dedicated its floor time this week to debating SJR 74 (**how constitutional questions make the ballot**), sponsored by Senator Mary Elizabeth Coleman (R-Arnold). Currently, constitutional amendments must win a simple majority of voters statewide. The resolution, upon voter approval, requires amendments to receive a majority vote in at least five of the state's eight congressional districts. During the bill's progression through committee process, the bill was amended to prohibit any constitutional amendments that permit lobbyist gifts and prohibit foreign activity in the initiative petition process. During debate, the sponsor offered a floor substitute to further amend the bill to ban initiative petitions on certain topics, including food taxation, law enforcement funding, real estate taxation, lobbyist gifts to politicians, and protecting the country's borders. Senate Democrats held the floor Monday and Tuesday highlighting that voting already is restricted to U.S. citizens and criticized the proposal. After a total of about 12 hours and no compromise in sight, the bill was returned to the calendar.

House Floor Activity

Public safety

The House dedicated floor time Monday afternoon to debate HB 1659, sponsored by Representative Lane Roberts (R-Joplin). This bill includes 22 various provisions all of which the committee is familiar with and have been presented during previous sessions. 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. After a brief debate, the House provided the first of two necessary approval votes.

MO BUCK\$ program

The House dedicated floor time Tuesday morning to debate HB 1803, sponsored by Representative Terry Thompson (R-Lexington). This legislation specifically relates to the state treasurer's investment in linked deposits and raises the cap to \$1.2 billion from \$800 million. After a brief debate, the House provided its first of two necessary approval votes. *The KC Chamber and Civic Council are supportive of this legislation as it would provide additional resources to support small businesses.*

Committee Activity

Immigration

The House Special Committee on Homeland Security convened Monday afternoon to discuss three bills creating the offense of trespass by an illegal alien and include HB2470, HB 2367, and HB 2523, sponsored by Representatives Chris Dinkins (R-Lesterville), Richard West (R-Wentzville), and Hardy Billington (R-Poplar Bluff), respectively. The bills introduce new provisions and penalties related to illegal entry and refusal to comply with orders to return to a foreign nation. Additionally, the bills establish penalty provisions and make the charges a class E felony up to a class C felony. The sponsors' intent is to discourage illegal immigration to Missouri and strengthen law enforcement. Freedom Principal Missouri and several private citizens provided supporting testimony. The Interfaith Community of Latin America, Immigration Home English Learning, Missouri Catholic Conference, Revolucion Educativa, Empower Missouri, Abortion Action Missouri, ACLU, and several private citizens provided opposing testimony

stating that the bills will cause disproportionate punishments for minor offenses, would decrease the workforce, and violates the supremacy clause.

Empowerment scholarship accounts (ESA)

The House Special Committee on Education Reform convened Monday afternoon to discuss three bills regarding Empowerment Scholarship Accounts (ESAs) including HB 1615, HB 1738, and HB 2104, sponsored by Representatives Brad Hudson (R-Cape Fair), Doug Richey (R-Excelsior Springs), and Phil Christofanelli (R-St. Peters), respectively. The bills remove an existing cap of \$50 million in refundable tax credits for contributions to educational assistance organizations (EAOs) and propose a cap of \$75 million with an additional increase subject to the General Assembly funding the state transportation formula at 90% or above. The bills also propose to increase the amount of available funding for students with limited English proficiency, Individualized Education Plans (IEP), or those who qualify for free and reduced lunch. Excel in Education, Missouri Century Foundation, Yes Every Kid, Missouri Catholic Conference, American Federation for Children, and 2 private citizens presented supporting testimony stating modifications would provide greater choice and flexibility to Missouri families and help to expand access for a larger pool of families. Missouri Families for Home Education, League of Women Voters, Equity in Education Action, Missouri NEA, Missouri State Teachers Association, Missouri School Boards Association, Missouri Council of School Administrators, and numerous home school families provided opposing testimony stating it would unfairly regulate homeschool families or take public tax dollars away from public schools. The Herzog Tomorrow Foundation provided informational testimony to answer specific questions regarding existing EAOs serving students in the state.

The committee then turned its attention toward HB 1671, sponsored by Representative Mark Mathieson (R-St. Charles). Currently, a student only is eligible for participation in the Empowerment Scholarship Program if they have attended a public school in Missouri for at least one semester and are at least eligible for attendance in a kindergarten or first grade level. The bill proposes to remove these eligibility requirements and instead only require a child to reside in a household with an income below 200% of the qualification for free and reduced lunch or have an Individualized Education Plan (IEP). The Missouri Catholic Conference, Americans for Prosperity Missouri Chapter, Excel in Ed in Action, and American Federation for Children provided supporting testimony stating the bill would help more families maintain eligibility for the program and expand access. The Missouri NEA, Missouri State Teachers Association, St. Louis Public Schools, and Equity in Education Action provided opposing testimony.

The Senate Select Committee on Empowering Missouri Parents and Children convened Tuesday to discuss SB 1392 and SB 1391, sponsored by Senators Curtis Trent (R-Springfield) and Tony Luetkemeyer (R-Parkville). The bills are like the House bills detailed above and modify several provisions relating to the Missouri Empowerment Scholarship Account Program. SB 1392 also includes provisions to expand counties in which charter schools may establish to include St. Louis County, St. Charles County, and the City of Columbia. Committee discussion and testimony were like House committee proceedings.

Income taxation cap

The Senate Economic Development and Tax Policy Committee met Monday afternoon to discuss SJR 50, sponsored by Senator Andrew Koenig (R-Manchester). Upon voter approval, the resolution places a 5.5% cap on income taxes. The resolution also modifies a provision prohibiting sales taxes levied on

transactions not taxed as of January 1, 2015, by providing an exception for sales and use taxes on subscriptions, licenses for digital products, and online purchases of tangible personal property. No supporting or opposing testimony was presented.

Attracting amateur sporting events

The Senate Economic Development and Tax Policy Committee met Monday afternoon to discuss SB 1036, sponsored by Senator Greg Razer (D-Kansas City). The bill provides a tax credit to nonprofit organizations, described as "certified sponsors," that are active members of the Sports Events and Tourism Association to help attract amateur sporting events to the state. STL Sports Commission, Sports Development Branson Missouri, Greater St Louis Inc, Greater Kansas City Sports Commission, Springfield Area Sports Commission, St. Charles Visitors Bureau, Visit Maryland Heights, and the MO Association of Convention and Visitors Bureaus supported the bill and stated sports events generate revenue for the whole state. Armorvine opposed the bill.

The House Special Committee on Tourism convened Tuesday afternoon to consider passage of HB 1483, sponsored by Representative Brad Christ (R-St Louis). The bill is the House companion to the bill detailed above. During committee discussion, substitute language was adopted to clarify the credit is refundable but removed all reference to it being transferable, and a 6-year sunset was added. Once modified, the committee passed the bill by an 8-0 vote.

Historic preservation and downtown revitalization

The Senate Economic Development and Tax Policy Committee met Monday afternoon to consider passage of SB 884, sponsored by Senator Steve Roberts (D-St. Louis). The bill modifies provisions relating to the historic preservation tax credit program and renames such tax credits the "Missouri Historic, Rural Revitalization, and Regulatory Streamlining Act" to allow counties to designate certain structures as "essential community or heritage facilities." The intent is to streamline processes and enable developers to revitalize areas. During committee discussion, substitute language was adopted to specify the State Historic Preservation officer of the Missouri Department of Natural Resources will determine standards and increased the tax limit from \$275,000 to \$475,000. Once modified, the committee passed the bill by a 5-1 vote. *The KC Chamber and Civic Council are supportive of this legislation as it would provide additional resources to support small businesses.*

The committee then turned its attention toward SB 792, also sponsored by Senator Roberts. The bill creates the "Revitalizing Missouri Downtowns and Main Streets Act" and establishes a tax credit to assist developers converting abandoned buildings to living spaces, stores, etc. with an intent to revitalize downtown areas. After no discussion, the committee passed the bill by a 5-1 vote. *The KC Chamber and Civic Council are supportive of this legislation as it would provide additional resources to support small businesses.*

Business development

The Senate Economic Development and Tax Policy Committee met Monday afternoon to consider passage of SB 825 and SB 894, sponsored by Senators Denny Hoskins (R-Warrensburg) and Travis Fitzwater (R-Fulton). The bills establish provisions relating to the promotion of business development and create 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. The bill also includes Right to Start provisions. During committee discussion, substitute language was adopted to combine the bills into one legislative vehicle. Once modified, the committee passed the bill by a 5-1 vote. *The KC Chamber and Civic Council are supportive of this legislation as it would provide additional resources to support small businesses.*

Eliminating corporate income tax

The House Special Committee on Tax Reform convened Tuesday morning to discuss HB 2274, sponsored by Representative Travis Smith (R-Dora). The bill seeks to eliminate corporate income tax, which generates \$484 million per year in state general revenue. MO Chamber of Commerce supported the bill and informed committee members that having a low tax rate incents businesses to come to Missouri. No opposing testimony was presented. After brief discussion, the committee passed the bill by a 7-3 vote.

Call spoofing

The House Special Committee on Innovation and Technology convened Tuesday afternoon to discuss HB 2603, sponsored by Representative Mitch Boggs (R-LaRussell). The bill adds business subscribers to the No-Call List, which means that they will not receive solicitation calls. It also creates a law against caller identification spoofing. If someone receives a call with false caller ID information, they may sue the caller for up to \$5,000 per call. A private citizen supported the bill and shared that vulnerable people are deeply affected by scam calls. No opposing testimony was presented to the committee.

DEI in state departments

The House General Laws Committee convened Tuesday afternoon to discuss HB 2619, HB 2365, HB 2448, and HB 2569, sponsored by Representatives Cody Smith (R-Carthage), Doug Richey (R-Excelsior Springs), Brad Hudson (R-Cape Fair), and Ben Baker (R-Neosho). The **bills seek to prohibit funds from any state department from being used for intradepartmental programs, staffing, or initiatives related to diversity, equity, and inclusion** or similar initiatives that promote preferential treatment based on certain characteristics, concepts, collective guilt ideologies, intersectional or divisive identity activism, and the limiting of freedom of conscience, thought, or speech. Do No Harm, Cicero Action, and Opportunity Solutions Project provided supporting testimony. The National Association of Social Workers, Missouri Equity Education Partnership, Health Forward Foundation, MO Equity Partnership Action, American Civil Liberties Union of Missouri, Independent Colleges and Universities of Missouri, and NAACP provided opposing testimony.

The committee then turned its attention toward HB 2567, sponsored by Representative Ben Baker. This bill establishes the "Do No Harm Act" and **prohibits medical institutions of higher education from expending any funds to establish, sustain, support, or staff a DEI office**, or contracting, employing, or hiring anyone to serve as a DEI officer. This bill additionally requires any funds that would have been expended for DEI offices or officers in fiscal year 2025 to be reallocated to merit scholarships for lower-and-middle-income students. Do No Harm, Cicero Action, and Opportunity Solutions Project provided supporting testimony. Missouri State Medical Association, Health Forward Foundation, MO Equity

Partnership Action, Aging Best, American Civil Liberties Union of Missouri, MO Center for Public Health Access, Independent Colleges and Universities of Missouri, Missouri Speech and Hearing Association, University Health Care Kansas City, NAACP, and private citizens provided opposing testimony.

Tax credits

The House Committee on Government Efficiency and Downsizing convened Wednesday morning to consider passage of 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 numerous tax credits, the committee discovered that there are currently 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 extinct. The bill seeks to provide structure and accountability for all tax credits by implementing caps, sunsets, oversight, and remove expired sunsets from statute. During committee discussion, substitute language was adopted to remove 13 additional obsolete tax credits and update necessary date references to reflect fiscal year instead of calendar year. Once modified, the committee passed the bill by a 9-1 vote.

Upcoming Hearings of Interest

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

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

Chamber Floor Calendars

[House](#)

[Senate](#)

Key Upcoming Dates

- February 27, 2024 – First day of candidate filing
- March 1, 2024 – Last day of bill filing
- March 18-22, 2024 - Legislative spring break
- March 26, 2024 – Last day of candidate filing
- 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,

Nancy Giddens | Principal

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KC Chamber Missouri State Affairs Meeting

March 8, 12-1:15 p.m.

Chamber Boardroom, Union Station