



## March 1, 2024

Candidate filing is underway. Incumbent and aspiring legislators crowded into the Secretary of State's office to place their name on this fall's election ballot. The entire House of Representatives and half of the Senate will be facing election and/or reelection. Though, all eyes will be on the Governor's race where Lieutenant Governor Mike Kehoe, Secretary of State Jay Ashcroft, and Senator Bill Eigel will face off. With so many state and national seats at stake, the election season is certain to be loud and eventful. Candidate filing closes on March 26<sup>th</sup>.

This week also marks the end of bill filing for the 2024 legislative session. Legislators have until the end of day Friday, March 1<sup>st</sup> to file any legislation of interest. Projections indicate that the number of bills filed is expected to surpass previous legislative sessions. Expectations indicate even less will be accomplished.

### Chamber/Civic Council Advocacy Day

*Chamber and Civic Council leaders spent the day in Jefferson City this past Tuesday meeting with the Governor and legislators to discuss childcare tax credits, earnings tax legislation, damaging DEI legislation, and the omnibus crime bill. Our small group was hopeful to talk about several valuable economic development bills coming through the House, but the dysfunction in the Missouri Senate provided little encouragement for that dialogue.*

### Budget Update

The House Sub-Committee on Appropriations-General Administration convened Tuesday to criticize Treasurer Vivek Malek for the use of advertising decals on Torch illegal gaming devices proliferating throughout the state. If committee members sought remorse and a commitment to remove decals, they were doomed to disappointment. After two-hours of contentiousness, the hearing ended with Chairman Scott Cupps (R-Shell Knob) demanding the decals be removed or the Treasurer's office face consequences. Later that day, the decals were reportedly removed.

The House Budget Committee convened Wednesday morning to consider passage of HB 2016, the \$2.2 million emergency supplemental bill funding the Governor's executive order sending Missouri National Guard members and Missouri State Highway Patrol Troopers to the Texas border. After a brief discussion, the committee passed the bill by a 25-4 vote.

The Senate Appropriations Committee met to hear from various departments regarding the FY 2025 Governor recommendations and department requests. The timeline for the House to finish crafting its version of the budget was expected to be completed before the legislative Spring Break in March, but with the delay of budget bills being filed, the deadline is unlikely to be met.

### Senate Floor Activity

#### **Public safety**

The Senate debated SB 754, sponsored by Senator Tony Luetkemeyer (R-Parkville), Monday. The bill, as filed originally, establishes Max's Law to increase **penalties for assaulting a law enforcement animal** by making it a class A misdemeanor if the animal is injured, a class E felony if the animal is severely injured, and a class D felony if the assault results in the animal's death. During the bill's progression through the committee process, the bill was modified to reflect SB 189 that passed last session but was then vetoed by Governor Parson. The bill now includes the following:

1. SB 841 – modifies provisions relating to funding for the Office of Public Defender
2. SB 887 – modifies provisions relating to certification of juveniles for trial as adults
3. SB 765 – establishes a conviction review unit
4. SB 861 – modifies provisions relating to expungement
5. SB 746 – modifies provisions relating to eligibility for parole
6. SB 760 – modifies provisions relating to the critical incident stress management program

After several hours of debate, the bill was returned to the calendar. The Senate revisited the bill Tuesday. During debate, the sponsor offered substitute language to further amend the bill to include SB 1070, which establishes a statewide task force focused on addressing cybercrimes and stalking, SB 788, that creates "**Blair's Law**," and SB 901, which establishes "Valentine's Law" that creates the offense of aggravated fleeing a stop or detention of a motor vehicle. After brief debate, the Senate provided its first of two necessary approval votes.

### **Mo BUCK\$ and currency regulation**

The Senate dedicated floor time Tuesday afternoon to debate SB 736, sponsored by Senator Sandy Crawford (R- Buffalo). This legislation specifically relates to the state treasurer's investment in linked deposits and raises the cap to \$1.2 billion from \$800 million. During debate, Senator Bill Eigel (R-St. Charles) amended the bill to include SB 735, which creates and modifies provisions relating to gold and silver. Senator Rick Brattin (R-Belton) then amended the bill to prohibit the state treasurer from accepting payments using central bank digital currency. Once modified, the Senate provided its first of two necessary approval votes. *The KC Chamber and Civic Council are supportive of increasing the cap on Mo BUCK\$ as this measure would provide additional resources to support small businesses.*

### **Committee Activity**

#### **Rural workforce housing**

The House Rural Community Development Committee convened Monday afternoon to consider passage of HB 2240, sponsored by Representative Greg Sharpe (R-Ewing). The bill establishes the "Rural Workforce Housing Investment Act," creating a workforce housing grant program in the Department of Economic Development (DED) to foster and support the development of workforce housing in rural communities. Grant maximums shall not exceed \$1 million to any nonprofit development organization over a two-year period, with no more than \$2 million cumulative for any single grantee through FY 2027. The bill also contains guidelines for the awarding of grants and establishes the "Rural Workforce Housing Investment Fund." After no discussion, the committee passed the bill by an 8-0 vote. *The KC Chamber is supportive of this legislation.*

#### **Taxation of pass-through entities**

The Senate Economic Development and Tax Policy Committee convened Monday afternoon to discuss SB 1250, sponsored by Senator Andrew Koenig (R-Manchester). The bill seeks to clarify the SALT Parity Act (SB 931), which was signed into law in 2022. This language allows certain S corporations to receive a tax credit for income earned in another state with a goal of retaining existing businesses and allows those businesses to determine whether to be taxed at the entity level or as individual owners. MO Society of CPAs and Associated Industries of MO supported the bill. No opposing testimony was presented.

The House dedicated floor time Thursday to consider passage of HB 1912, sponsored by Representative Mike McGirl (R-Potosi). The bill is the House companion to SB 1250, detailed above. After a brief debate, the House passed the bill by a 151-0 vote. The bill now will be sent to the Senate for further consideration.

### **Work opportunity tax credits**

The Senate Economic Development and Tax Policy Committee convened Monday afternoon to consider passage of SB 1207, sponsored by Senator Denny Hoskins (R-Warrensburg). The bill establishes a Work Opportunity Tax Credit that would be available to employers for hiring and employing individuals from certain targeted groups who face barriers to employment. After no discussion, the committee passed the bill by a 5-0 vote.

The House Economic Development Committee convened Wednesday morning to consider passage of HB 2473, sponsored by Representative Bill Hardwick (R-Dixon). The bill is the House companion to the bill above. After no discussion, the committee passed the bill by a 13-0 vote.

### **Tobacco product regulations**

The Senate Emerging Issues Committee convened Tuesday morning to discuss SB 911, sponsored by Senator Ben Brown (R-Washington). The bill restricts political subdivisions from denying transfers of tobacco licenses upon transfers of business ownership and increases the age to purchase tobacco products from 18 to 21. The Missouri Petroleum and Convenience Association, and MO Smoke Fire, City of Eureka, American Cigar Association, HUB Incorporated, Missouri Retailers and Wholesalers Associations, Studio 420, and Kum and Go Convenience Stores testified in support of the bill. Springfield Health Department, Missouri Local Health Association, Lee's Summit Family Physician, American Cancer Society, American Cancer Network, American Heart Association, Missouri State Medical Association, Missouri Center for Public Health, and Missouri Center for Public Health Excellence opposed the bill.

### **Engineering tax incentives**

The Senate Emerging Issues Committee convened Tuesday afternoon to consider passage of SB 849, sponsored by Senator Justin Brown (R-Rolla). Beginning on or after January 1, 2025, the bill seeks to create three tax credits for certain employers and employees with engineering degrees with a goal of incenting engineers to remain in or relocate to Missouri. During committee discussion, substitute language was adopted to modify terms by changing references from "employees" to "workers." The substitute also increased the credit from 5% to 10% of compensation paid to a qualified worker. Once modified, the committee passed the bill by a narrow 4-3 vote. *The KC Chamber supports this legislation.*

### **Angel investing**

The House Financial Institutions Committee convened Tuesday afternoon to consider passage of HB 2226, sponsored by Representative Travis Smith (R-Dora). The bill establishes the "Missouri Angel Investment Incentive Act" to aid early-stage businesses in accessing capital at the right time. The language contains provisions relating to allocation of the tax credits, factors MO Technology Corporation may consider as part of its assessment, and criteria for "qualified businesses." The program contains a \$6 million cap. During committee discussion, substitute language was adopted that changed the start date of the program, delayed the dates the credit would increase automatically, shortened the sunset to six years, and changed "region" to "county." Once modified, the committee passed the bill by an 8-2 vote. *The KC Chamber supports this legislation.*

### **Social media safety and STEM career awareness**

The Senate Select Committee on Empowering Missouri Parents and Children convened on Wednesday morning to discuss SB 976, sponsored by Senator Travis Fitzwater (R-Holts Summit). The bill requires DESE to develop a model curriculum for school-district instruction on safe social media use and appropriate online behavior to students in

grades 6 through 12 and to develop a "STEM Career Awareness Program" to increase awareness of STEM careers and relevant training for students in grades 9 through 12. The Gifted Association of Missouri, BioSTL, **Greater Kansas City Chamber of Commerce, Civic Council of Greater Kansas City**, ScienceCoach, and the Missouri Chamber of Commerce provided supporting testimony. No opposing testimony was presented to the committee.

#### **Definition of sex**

The House Emerging Issues Committee convened Wednesday afternoon to consider passage of HB 2309, sponsored by Representative Adam Schnelting (R-St. Charles). The bill establishes the "Defining SEX Act," and provides definitions of the terms "boy," "father," "female," "girl," "male," "man," "mother," "sex," and "woman." During discussion, substitute language was adopted to ensure IVF fertility treatments were not affected. Once modified, the committee passed the bill by a 9-4 vote.

#### **DEI and economic boycott prohibitions**

The Senate Governmental Accountability Committee convened Thursday morning to discuss SB 980, sponsored by Senator Rusty Black (R-Sullivan). The bill prohibits public entities from entering contracts with a company, unless the contract includes written certification the company is not currently engaged in any kind of economic boycott and will not engage in such practice for the duration of the contract. The language also prohibits private businesses seeking to establish a contractual relationship with another private business from having any policy which exhibit DEI classifications. Opportunity Solutions Project provided supporting testimony. Missouri Chamber of Commerce and Industry, Associated Industries of Missouri, **Greater Kansas City Chamber of Commerce, Civic Council of Kansas City**, Missouri Speech and Hearing Association, BJC Healthcare, Missouri State Conference of the NAACP, Greater St. Louis Inc., and Health Forward Foundation provided opposing testimony stating this creates new mandates on private business and would change the state procurement process.

#### **Property tax exemptions for childcare**

The Senate Fiscal Oversight Committee convened Thursday morning to discuss SB 975, sponsored by Senator Travis Fitzwater (R-Holts Summit). Upon voter approval, the bill authorizes a property tax exemption of all property, real and personal, used primarily by a childcare facility for the care of a child outside of his or her home by a childcare provider. Campaign Life Missouri and Missouri Chamber of Commerce provided supporting testimony. No opposing testimony was presented to the committee.

#### **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>

### **Senator Mike Cierpiot, Reps. Keri Engle and Kurtis Gregory Featured Speakers**

#### **KC Chamber Missouri State Affairs Meeting**

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

**Chamber Boardroom, Union Station**

Register Now [Missouri State Affairs Committee Meeting](#)

#### **Calendars**

[House](#)  
[Senate](#)

**Key Upcoming Dates**

- 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,

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