



# Missouri Society of Professional Engineers

## Weekly Legislative Report April 17, 2018

### WEEKLY OVERVIEW

The Missouri House continued its work to perfect and third read numerous House bills. Of note, the House spent hours debating the tax reform bill sponsored by Speaker Pro Tem Elijah Haahr (Speaker-in-waiting), adopting 12 amendments to the bill and then perfecting the measure. The Senate continued its recent trend of perfecting and third reading Senate bills. The chamber perfected and/or third read 16 measures that will be sent to the House for consideration. The usual tension that occurs about this time every year between the House and Senate relating to how each chamber is moving the other chamber's bills is notable, but not as serious as in past years.

As you might imagine, the political intrigue and legislative reaction to the release of the House Special Investigative Committee investigating Governor Eric Greitens had a pronounced impact on legislative activity. The 25-page report (over 200 pages with transcripts and supporting materials) features graphic language derived from witnesses who testified before the committee, including the alleged victim who engaged in an extramarital affair with the Governor. The key finding of the report is that the committee found the testimony provided by the alleged victim to be credible and corroborated by testimony from other witnesses. The Missouri House conducted no business on Wednesday and did not meet on Thursday as leaders prepared for the release and aftermath of the report. The Special Committee has indicated that it will continue its investigative work and Speaker Todd Richardson is working to lay the groundwork for a special session to commence impeachment proceedings. The full report may be found [HERE](#). Numerous federal and state officeholders have called for the resignation of Governor Greitens.

### IN THE NEWS

- Former Governor Jay Nixon argued before the Missouri Supreme Court on behalf of Clean Line Energy, a company that wants to build the Grain Belt Express project consisting of a massive transmission line to carry wind power through northern Missouri. That project was rejected by the Missouri Public Service Commission. At issue is whether multiple county approvals are needed to permit the project to proceed. Nixon argued that the \$2.3 billion project (eight counties) is privately funded would bring essential benefits to Missouri and provide over \$7 million in property tax payments to schools in the impacted counties. A decision on the case is expected in the next 6-8 weeks.
- The Senate Appropriations Committee zeroed out a House budget recommendation of \$375,000 to begin funding of a state prescription drug monitoring program. Some lawmakers believe that the PDMP program which was created by executive order should be the product of legislation.
- The Missouri Department of Natural Resources has proposed spending the \$41 million that it received last year from a Volkswagen legal settlement on replacing school buses and other heavy-duty equipment. The automaker last year agreed to provide billions of dollars to settle litigation relating to cheating on emissions standards. Environmental groups are pushing for a share of the money to be used for clean electric vehicles. MDNR will finalize distribution of the funds in June.
- The Missouri Senate passed [SJR 27](#), a constitutional amendment that would alter term limits for state legislators by permitting them to serve 16 years in a single chamber. Currently representatives and senators are termed out after 8 years in a chamber. The amendment, which would be sent to voters for

approval if passed by the House, would also ban any lobbyist gifts for legislators, legislative staff, legislative spouses, employees or children.

- The Senate passed [SS SB 674](#). This revenue neutral bill with the Substitute lowers the top corporate income tax rate for 6.25% to 3.5%. The revenue to pay for this reduction comes from requiring single factor sales for C-corporations, which could be a tax increase for some out of state C-corporations. This bill could be an alternative to the big tax cut bills ([SB 617](#) and [HB 2450](#)), which are over 400 pages long and are not revenue neutral.

## BUDGET UPDATE

The Senate began crafting their version of \$28 billion FY 2019 Missouri budget. The Senate process differs from the house in that the Senate Appropriations Committee has the option to concur with the House, concur with the Governor, or create a Senate position. The committee completed its initial work on the budget. Any item deemed controversial or no agreement could be reached was left open. It is the intention of Chairman Dan Brown to hold a hearing to close any open items and determine language and flexibility. The following items differ from the House version and will be eligible for conference:

- A cut of \$375,000 for the Prescription Drug Monitoring Program;
- Restoration of the State Health Lab to the Department of Health and Senior Services;
- An additional \$500,000 to fund a Medicaid Organization Reform Project;
- Removed the \$500,000 to fund an electronic monitoring pilot project with Probation and Parole;
- Removed \$700,000 to fund a Lean efficiency and cost reduction program across all sixteen state departments;
- Replacement of aged fleet vehicles across all state departments;
- An additional \$73,000 to the Office of Military Advocate for the purpose of hiring an additional staff member;
- An additional \$142,000 for the Mainstreet Program;
- An additional \$500,000 to tourism for the purpose of funding the Meet Me in Missouri program and an additional \$2.5 million for the tourism marketing match; and,
- Higher Education funding was placed back into the Performance Funding model.

There are numerous items that are still open throughout all the budget bills. The following items of interest are still open:

- Prisoner per diem rates;
- State employee pay plan and retirement;
- Federal Reimbursement Rates for providers; and,
- Fee-For-Service and Managed Care funding.

## HOUSE FLOOR ACTION

**LAND SURVEYORS:** The House Third Read and Passed with 147 ayes and 2 noes [HB 2231](#), sponsored by Rep. Robert Ross (R-Yukon). This bill removes any requirement for letters of reference in order to apply for enrollment as a land surveyor-in-training or to apply for licensure as a professional land surveyor. Currently, an applicant for land surveyor-in-training must provide three letters of reference, at least one of which must be from a professional land surveyor who has personal knowledge of the applicant's land surveying education or experience. An applicant for licensure as a professional land surveyor must provide at least three letters of reference, all of which must be from professional land surveyors with personal knowledge of the experience of the applicant's land surveying education or experience. All other requirements would remain in effect.

The bill has been reported to the Senate and First Read.

**DEPARTMENT OF NATURAL RESOURCES:** The House Committee on Conservation and Natural Resources conducted a hearing on [SS/SCS/SB 782](#). This bill contains numerous provisions relating to the Department of Natural Resources. Major provisions include:

- Fence maintenance along the historic Missouri Rock Island Railroad Corridor;
- Extension of the sunset on the Lead-acid battery fee program;
- Limiting the ability of the Director, the Hazardous Waste Management Commission, the Missouri Mining Commission, and the Clean Water Commission to increase fees by placing on sunset on authority to modify fees (August 24, 2024);
- Establishes the petroleum storage tank insurance fund task force;
- Exempts agricultural storm water discharges and return flows from clean water permitting requirements

The committee took no action on the measure.

**STEM INITIATIVE:** The House Third Read and Passed with 139 ayes and 3 noes [HCS HB 2255](#), sponsored by Rep. Bart Korman (R-High Hill). This bill changes the law regarding the Missouri Science, Technology, Engineering and Mathematics (STEM) Fund. Missouri taxpayers who hire 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, may apply to have \$10,000 of state tax liability placed in the fund, subject to appropriation by the General Assembly and approval by the Department of Higher Education. The cumulative amount of taxes transferred to the fund is capped at an annual total of \$200,000. The bill removes endowed teaching professor programs and career enhancement programs from the list of programs eligible for moneys from the fund. Subject to appropriation, this bill establishes the "Stem Career Awareness Program" within the Department of Elementary and Secondary Education (DESE) to increase STEM career awareness for students in grades six through eight. The program is an online based STEM curriculum that introduces students to a wide variety of STEM careers and technology. DESE shall promote the statewide program beginning with the 2019-20 school year. Before January 1, 2019, DESE shall select a program provider that meets the criteria specified in the bill creates the "STEM Career Awareness Program Fund." The fund shall consist of appropriations, gifts, bequests, or public or private donations and, upon appropriation, the fund shall be used solely for the administration of these provisions.

The bill has been reported to the Senate and First Read.

**STEM CAREER AWARENESS:** The House Committee on Elementary and Secondary Education conducted a public hearing on [SS SCS SB 894](#), sponsored by Sen. Doug Libla (R-Poplar Bluff). Subject to appropriation, the Department of Elementary and Secondary Education (DESE) shall create the "STEM Career Awareness Program" to increase STEM career awareness among students in grades six through eight. The statewide program shall introduce students to a wide variety of STEM careers and technology through an online-based STEM curriculum. Before January 1, 2019, DESE shall solicit proposals and select a provider for the online program using specified criteria or choose a third-party nonprofit entity to implement the program, solicit proposals, and select a provider. The program shall be funded by the "STEM Career Awareness Program Fund" and shall be promoted beginning with the 2019-2020 school year. Additionally, the act requires that before July 1, 2019, DESE develop a high school graduation policy that allows a student to fulfill one unit of academic credit with a district-approved computer science course for any math, science, or practical arts unit required for high school graduation. The graduation policy shall require that all students have either taken all courses that require end-of-course exams or are on track to take all courses that require end-of-course exams under the Missouri School Improvement Program. Before July 1, 2019, the State Board of Education shall convene a workgroup to develop and recommend academic performance standards relating to computer science. These standards shall be adopted and implemented beginning in the 2020-2021 school year. The Board shall also develop a procedure by which any licensed teacher who demonstrates sufficient content knowledge of computer science shall receive a special endorsement on his or her license signifying this specialized knowledge. This act creates the "Computer Science Fund" for the purpose of providing teacher professional development programs relating to computer science. The State Board shall award grants from the fund to eligible entities, as defined in the act, who have submitted an application to DESE, as specified in the act.

Testifying in support was Missouri NEA. There were no witnesses in opposition and the committee took no further action on the measure.

**OCCUPATIONAL FEES:** The House took up [HCS HB 1261](#), sponsored by Rep. Nick Schroer (R-O'Fallon). This bill requires all state and local licensing boards or entities to waive, for a two-year period, any fees charged to obtain or renew occupational licenses for military families and low-income individuals who request such a waiver.

During Perfection an amendment was added by Rep. Steve Helms (R-Springfield) which makes the following changes:

- prevents any political subdivision from adopting any new occupational fees or licensing requirements;
- requires all state and local licensing boards or entities to waive, for up to two years, any fees charged to obtain or renew occupational licenses for military families and low-income individuals; and,
- requires all licensing authorities to publish a list of criminal offenses for which the authority would deny licensure.

The amendment was debated for over an hour before being adopted 74-60. The bill is currently in fiscal review as the amendment also is assuming over \$5 million lost to General Revenue.

## SENATE FLOOR ACTION

**PROFESSIONAL REGISTRATION:** The Senate Committee on Professional Registration held a hearing on [HCS HB 1928](#) sponsored by Representative Robert Ross (R-Texas). This bill states it will establish guidelines for the future regulation of occupations and professions within the State of Missouri. The bill specifies that the state may not impose a substantial burden on an individual's pursuit of his or her occupation or profession unless there is reasonable interest for the state to protect the general welfare. If an interest exists, the regulation adopted by the state must be the least restrictive type of occupational regulation consistent with the public interest to be protected. This bill states that all bills introduced in the General Assembly to regulate an occupation or profession should be reviewed according to specified criteria. This bill requires regulatory entities and the Department of Insurance, Financial Institutions and Professional Registration to report and submit certain information to the legislature when any bill is filed that proposes new or additional regulation of a profession or occupation.

**NATURAL RESOURCE FUNDS:** The Senate Committee on Agriculture, Food Production, and Outdoor Resources conducted a public hearing on [HB 1607](#), sponsored by Rep. Bart Korman (R-High Hill). This bill extends from December 31, 2018, to December 31, 2023, the \$.50 fee that is collected on the retail sale of a lead-acid battery as well as the fees for any hazardous waste generated. Currently, the Petroleum Storage Tank Insurance Fund is set to expire on December 31, 2020, after which claims made prior to such date may continue to be paid. This bill extends the expiration to December 31, 2030.

Testifying in support were representatives from Missouri Petroleum Marketers and Convenience Store Association, Missouri Petroleum Council, and Department of Natural Resources who all stated they would like to see the sunset extended. There was no testimony in opposition and the committee took no further action on the measure.

**OMNIBUS TRANSPORTATION BILL:** The Senate Perfected [SB 1050](#), sponsored by Senator Dave Schatz (R-Sullivan). This act modifies provisions of law relating to transportation.

**TRANSPORTATION INFRASTRUCTURE (Sections 108.120 and 137.555)** – This act removes requirements that money in the Road Bond Construction Fund and Special Road and Bridge Fund be used only on roads that are continuous through a political subdivision and specifies that counties may contract with political subdivisions to share the bond proceeds for authorized purposes.

MODOT UTILITY CORRIDORS (Section 227.240) – This act allows the Department of Transportation to establish a utility corridor that is up to 12 feet wide when space is reasonably available.

INFRASTRUCTURE DESIGNATIONS (Sections 227.541, 227.542, and 227.544) – This act designates the portion of Interstate 70 from Rangeline Street continuing west to Business Loop 70 in Boone County the "Highway Patrol Sgt. Benjamin Booth Memorial Highway". (Section 227.541)

BRUSH CONTROL ON COUNTY RIGHTS-OF-WAY (Section 263.245) – This act adds a reference to the existing voter approval requirements for imposing obligations on landowners to control brush on county rights-of-way and easements in certain counties, and specifies that the landowners shall prevent brush from interfering with vehicles traveling on the road.

DISTRIBUTION OF PETROLEUM PRODUCTS (Section 292.606) – Under current law, certain provisions relating to fees collected relating to the transportation and delivery of petroleum products are due to expire on August 28, 2018. This act extends this expiration date to August 28, 2024.

REGISTRATION OF AUTOCYCLES (Sections 301.010, 301.020, 301.055, 301.130, 301.350, and 304.005) – This act creates a registration framework specific to autocycles, as defined in the act, and adds straddle-type seating and handlebar-based controls to the definition of motortricycle.

COMMERCIAL DRIVER'S LICENSES AND MOTORCYCLE ENDORSEMENTS (Sections 302.170, 302.173, and 302.720) – This act specifies that the Department of Revenue may retain documents submitted by a commercial driver's license applicant who is active duty or retired military if the documents allow for waiver of the commercial driver's license knowledge test, skills test, or both.

DRIVER'S LICENSES FOR PERSONS WHO ARE DEAF OR HARD OF HEARING (Section 302.174) – This act changes, from "J88" to "DHH", the notation on a person's driver's license that indicates the person has a diminished capacity to discriminate speech when spoken in a normal conversational tone.

USE OF ELECTRONIC COMMUNICATION DEVICES WHILE DRIVING (Sections 304.012 and 304.820) – This act repeals provisions of the existing texting while driving statute that relate to noncommercial vehicles, as well as eliminates an exception for the relaying of information between transit or for-hire drivers and their dispatcher when the device used is permanently affixed to the vehicle.

TRANSPORTATION OF HIGH SCHOOL STUDENTS (Section 304.060) - This act states that the Kansas City Public Schools school board may contract with any municipality, bi-state agency, or other governmental entity to transport high school children.

TRANSPORTATION OF CRANES (Section 304.180) – This act provides that the Highways and Transportation Commission shall issue single-use special permits for or upon request of the equipment owner annual permits for the transportation of cranes.

BOAT PASSENGERS (Section 306.126) - This act specifies that the requirement for boat passengers to ride only within adequate guards or railing when underway shall not apply to vessels propelled by propellers or jet motors when such vessels are operating on a stretch of waterway not created or widened by impoundment.

DISPLAY OF FIXED, FLASHING, OR ROTATING LIGHTS (Section 307.175) - Currently, vehicles owned by a utility or by an entity performing work for the department of transportation may display fixed, flashing, or rotating lights under certain circumstances.

FUEL STANDARDS (Section 414.032) - Currently, all fuels shall meet American Society for Testing and Materials (ASTM) standards, in addition to rules promulgated by the Director of the Department of Agriculture.

This bill was Perfected on a voice vote. The bill is currently on the Senate Calendar – Senate Bills for Third Reading.

## COMMITTEE ACTION LAST WEEK

**MOTOR FUEL TAX:** The Senate Transportation Committee voted “do pass 6-0” [SCS/SB 734](#), sponsored by Sen. Dave Schatz (R-Sullivan). The bill would increase the rate of tax on motor fuel from 17 cents to 27 cents beginning on January 1, 2020. The substitute would include a referendum clause that would require a vote of the people.

## UPCOMING COMMITTEE HEARINGS

### House-Utilities

**WEDNESDAY - 04/18/18**

**8:00 AM, HR 6**

#### *Public Hearing:*

[SB 598](#) - Riddle, Jeanie - Allows the Department of Transportation to establish a utility corridor.

[SB 705](#) - Riddle, Jeanie - Modifies provisions relating to rate adjustments outside of general rate proceedings for certain public utilities.

[SB 727](#) - Emery, Ed - Requires that the comprehensive state energy plan be reviewed by the Division of Energy by January 1, 2019, and biennially thereafter, and updated if necessary.

#### *Executive Session:*

[SB 705](#) - Riddle, Jeanie - Modifies provisions relating to rate adjustments outside of general rate proceedings for certain public utilities.

## CALENDARS

### HOUSE:

#### HOUSE BILLS FOR PERFECTION

[HB 1999](#) - Bondon, Jack - Modifies provisions for public utility rate adjustment.

[HB 2352](#) - Fraker, Lyndall - Changes the law regarding county revenues dedicated to roads by expanding the purposes for which such revenues may be used.

### SENATE:

#### SENATE BILLS FOR PERFECTION

[SB 678](#) - Eigel, Bill - Provides that defendants in tort actions shall only be held severally liable and not jointly.

[SJR 36](#) - Schatz, Dave(R) - Authorizes a sales tax for law enforcement on state highways.

#### INFORMAL CALENDAR - SENATE BILLS FOR PERFECTION

[SB 730\(S\)](#) - Wallingford, Wayne - Establishes the Rate Case Modernization Act.