

January 20, 2020

*In order to be responsive to the latest legislative developments, MOCPA continually monitors proposed legislation. The society utilizes both professional and grassroots lobbyists to ensure the CPA profession has a voice in Jefferson City. By keeping members informed, MOCPA is empowering you to contribute to the legislative process.*

**Update provided by Chuck Pierce, CPA, MOCPA government relations consultant**

### **Session Update**

Last week, the Legislature heard Gov. Parson's priorities for the session. The House held hearings on tax legislation. Two term-limited senators got their next jobs via gubernatorial appointments to boards.

The governor addressed the House and Senate in a joint session on Wednesday. This annual event is called the State of the State Speech. Governors use this time to unveil their budgets and legislative priorities to the Legislature. Frequently, the items raised in these speeches become the focal point for a lot of the work done during the session.

Although this is the last year of the governor's first term, it is only his second time addressing the Legislature. Gov. Parson took office in mid-2018 as a result of the resignation of Gov. Greitens. He used his remarks to highlight the accomplishments of his first year, as well as outlining his priorities for this session.

Gov. Parson's priorities for this session are very much like the ones from last year. His highest priorities continue to fall in the areas of workforce development, infrastructure improvements, and economic development. While all of these are of interest to Missouri CPAs, he added one this year that is of special interest to CPAs.

Gov. Parson established a priority of passing an economic nexus bill in response to the *Wayfair* decision in 2018. This legislation was considered last session but did not pass. Much of the debate centered not on the technical aspects of the law, but over how to handle the additional revenue the state would receive. The governor addressed that issue in his remarks. He plans to use the additional revenue to help fund a budget reserve. Many members of the Legislature strongly believe any increase in tax revenue should be offset by a tax reduction in some other area. This view is particularly acute now considering 2020 is an election year for most of the Legislature and the governor. His prioritization of a *Wayfair* fix helps the chances something gets done, but because he has proposed a new idea for where the proceeds should go, there is likely to be a lot of debate.

Even before Gov. Parson established *Wayfair* as a priority, the House Ways and Means Committee was holding a hearing on legislation that would establish economic nexus. In a flashback to last session, the bulk of the debate centered around the non-technical components. The controversial

issues that drew opposition were the size of the tax cut being proposed and a provision requiring local governments to vote on expanding the use tax to internet sales. There are still several other bills to get through this committee that take different approaches.

The big news in the Senate last week was the departure of two senior senators. Senators Jason Holsman and Kiki Curls, both Democrats from the Kansas City area, are in the last year of their terms. Both received appointments from Gov. Parson to serve on regulatory commissions. Senator Holsman was appointed to the Public Service Commission and Senator Curls to the Labor and Industrial Relations Commission. Although they were in the minority party in the Senate, they are both well thought of by all the other senators. It was a bittersweet moment as the Senate voted to confirm their appointments. Senators had nothing but positive comments about both. Best wishes to them in their new roles of public service. Because both spots are up for election in November, the seats will remain open until then.

Just a reminder that you still have time to join your fellow members at CPA Day in Jefferson City on Wednesday. You will hear presentations from legislators and have a chance to meet with their representative and senator to explain what issues are important to Missouri CPAs this year. [Click here](#) for more information and to register.

### **Legislation of Interest**

[Click here](#) to view the complete list of high-priority bills MOCPA is currently tracking. It is much too early to tell which of these may gain traction. Watch future weekly updates for reports on which of these bills are moving.

### **For Additional Information**

This *Government Advocacy Update* will continue weekly through the legislative session. If you have any questions on MOCPA's government advocacy efforts, please visit the [Web page](#), or contact [Dena Hull](#) at (800) 264-7966, ext. 105.

### **Related Links**

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