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*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**

The General Assembly attempted to look past the recent distractions associated with the allegations of misconduct by Governor Greitens and focused on business as usual last week. The governor also tried to get back to normalcy by introducing his budget and is expected to release details of his promised tax reform package this week.

Last week, the House advanced three bills to the Senate. The Senate, for its part began floor debate on several bills. This despite swirling rumors that the governor would resign and media stories reporting that the FBI was investigating him. The fact that the Legislature is looking past the distractions and waiting for the investigations to develop is a positive one. If this pattern continues, it is possible legislation may move through the process in a somewhat normal manner. That of course is contingent on no new facts developing.

As expected, Governor Greitens presented his budget. In an effort to prove it was back to normal business, he held a press conference to unveil the budget. The first few minutes were focused on the media peppering him with questions about the allegations. After weathering that storm, he presented some budget details. Two of the major objectives he outlined are of interest to Missouri CPAs.

The governor proposed a plan to use short-term debt to accelerate the payment of tax refunds. The state can't borrow from its "rainy-day" fund to cover cash flow shortages. These amounts must be repaid by May 15 and cannot be reborrowed until July 1 of each year. This locks out a prime time for refunds. The governor proposed using other debt issues, called revenue anticipation notes, to speed up the refunds. For the second year, he proposed cuts to higher education spending.

In what is shaping up to be a big battle, the budget chairs in both chambers rejected these two proposals. If the Legislature does not approve the debt, it likely won't happen. Budget cuts are another matter. The Legislature can refuse to make them, but then they will have to cut other programs. This sets up a budget battle that may carry well into the next fiscal year.

In keeping with his remarks during the State of the State speech, Governor Greitens will unveil his tax reform package in a series of press conferences around the state this week. Promising tax cuts for working Missourians, the governor also pledges that his package in its entirety is revenue neutral. That means any cuts or rate reductions will have to be paid for by other changes. Look for more

information to come out in the next few days. The total details won't be known until legislation is filed to make the changes. MOCPA will be following this closely.

### **Legislation of Interest**

To view the complete list of high-priority bills MOCPA is currently tracking, along with their most recent activity and current status, [click here](#).

One bill of note that had activity last week is [HB 1381](#). It establishes procedures relating to financial accreditation standards for insurance companies and an insurance group's corporate governance. The bill passed the house.

### **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.

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