



February 27, 2017

In order to be responsive to the latest legislative developments, the MSCPA 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, the MSCPA is empowering you to contribute to the legislative process.

Update provided by Chuck Pierce, CPA, MSCPA government relations consultant

Session Update

Last week, both Chambers took steps toward making sure you can use your Missouri driver's license to get on an airplane next year. Governor Greitens used an unexpected windfall to restore some budget cuts. He also named the final members of his Committee for Simple, Fair, and Low Taxes.

If you have traveled recently, you have likely seen signs in Missouri airports warning that effective Jan. 1, 2018, you will not be able to use your Missouri driver's license as identification for boarding an airplane. The reason is that Missouri's system is not compliant with the requirements of Homeland Security's Real ID program. In order to comply, Missouri must change a law that would allow the Department of Revenue to retain copies of source documents (such as a birth certificate or Social Security Card) on a secure server that can be accessed by Homeland Security. Two bills that address this, [HB 151](#) and [SB 37](#), were debated on the floor of the House and Senate last week.

The bills take a similar approach. They allow Missourians to opt into a system for a compliant driver's license. This is designed to assuage the critics of forcing all Missourians to surrender their personal information to an enhanced state database. The compromise seems to have worked in the House, as HB 151 was debated and perfected. It was a contentious debate, and the voice vote was close. The bill needs a formal roll call vote to move to the Senate. It is expected that it will pass the House.

However, the Senate debate did not resolve the issue. SB 37 was debated for several hours on the floor. It was clear that a group of senators was opposed to capitulating to the federal requirements. The view among this group is to fight back against this requirement either in the courts or appealing to the new administration in Washington asking for repeal or granting Missouri a waiver. When it was clear that there was no compromise in sight, the bill was placed on the informal calendar. This means it can be taken up for debate at any time. Don't look for that to happen until the opponents are convinced all options for opposition of the federal mandate have been exhausted. With the House bill likely being sent to the Senate soon, the ball is entirely in the Senate's court on this important issue.

The state received an unexpected revenue boost last week of \$52 million relating to the Tobacco Master Settlement. Rather than use that money to bolster current year spending, the governor elected to restore two of the more controversial cuts he had proposed for his FY 2018 budget. He allocated \$41 million to Medicaid services for home and community-based services, and \$11 million to K-12 school bus transportation.

While this was welcome news, it doesn't do a lot to improve the overall budget picture. The governor pointed out what all CPAs know—you can't build a sustainable operating budget on one-time funding. In his press release announcing the changes, he said, "This settlement is good news. But it's important to remember that they are a lucky break. Sound budgets are not built on lucky breaks."

As part of his plan for providing long-term solutions to the fiscal situation, Gov. Greitens appointed the following to the Committee for Simple, Fair, and Low Taxes:

- Chair Joel Walters, CPA, the newly named Director of Revenue;
- Vice-chair Will Scharf, governor's policy director;
- Former Senator Jason Crowell, an attorney from Cape Girardeau; and
- Former Senator John Lamping, a financial adviser from St. Louis.

Previously named to the committee were Senators Kraus, Hegeman, and Koenig, and Representatives Haahr, Rehder, and Jay Barnes. The committee is charged with delivering a report to the governor by June 30.

Legislation of Interest

To view a list of high-priority bills the MSCPA is currently tracking, along with their most recent activity and current status, [click here](#). The following bills had significant activity this week:

HB 264 requires all employers and business entities to enroll and actively participate in a federal work authorization program and imposes stricter penalties for employing an unauthorized alien. This bill was heard in the House Special Committee on Employment Security. The MSCPA, other business groups, and the American Civil Liberties Union, testified in opposition to this bill. No one testified in support.

HB 288 modifies both the duration of unemployment compensation and the method to pay federal advances, as well as raises the fund trigger causing contribution rate reductions. The bill passed the House. A similar bill passed last session, was vetoed, then overridden. Due to a technical issue with the override, it was thrown out by the Supreme Court.

SB 45 modifies laws regarding arbitration agreements between employers and at-will employees. It passed the Senate 23 to 10.

SB 113 modifies the law relating to discharge of employees under workers' compensation statutes. It passed the Senate 23 to 10.

For Additional Information

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

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