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

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

Session Update

Last week, both chambers continued their pattern of focusing on controversial priority legislation. They each sent key bills to the other chamber but didn't do a lot to reduce the backlog of legislation. The deadline for filing bills was Wednesday, so at least no more bills can be added. However, the Supreme Court issued a decision last week that will change legislative priorities this session and add complexity to managing the flow of legislation.

While the Legislature is making progress on achieving leadership's priorities, the debate is consuming a lot of time. With only two weeks until the half-way point of legislative spring break, neither chamber has sent many bills to the other. This is creating a backlog on the legislative calendars that needs to break loose. If it doesn't, a lot of routine legislation is unlikely to make it to the finish line.

The Senate invested most of its floor time last week on legislation that impacts employees' ability to sue for discrimination. [SB 43](#), a bill being tracked by the MSCPAs, was debated for 12 hours on Tuesday before being passed. This bill changes the standard for bringing employee discrimination suits for wrongful termination. Under existing law, the result of a Missouri Supreme Court case, an employee in a protected class must only prove that being in that class was a contributing factor in the termination. SB 43 changes it to a motivating factor, which is a higher standard of proof. This is an example of the impact of the change of administration. This legislation has been a priority of the business community for several years, and has previously passed the Legislature, only to be vetoed by the governor.

The House is not constrained by the same rules of debate as the Senate but is still facing challenges in advancing a high number of bills to the Senate. The House must allot a significant amount of time to allow the budget committee to work. Under House rules, committees cannot meet when the House is in session. Therefore, the House must adjourn to allow the budget committee to work. Because the budget was received later than usual this year and has several fiscal challenges, a lot of time must be spent in committee. However, this provides other committees an opportunity to meet as well. This additional time allows them to send more bills to the floor, exasperating the potential for a backlog of legislation.

The Supreme Court issued a decision last week that resulted in a shift of legislative priorities, and the ramifications have a potential impact on issues of importance to Missouri CPAs. The case of *Cooperative Home Care, Inc., et al. v. City of St. Louis, Missouri, et al.* centered around the City of St. Louis' authority to establish a minimum wage that is higher than the state minimum wage. The court ruled that the city can set the wage, even though the Legislature passed legislation last session prohibiting cities from doing so. The decision came one day before the deadline to file legislation. The Legislature responded immediately by filling bills in both the House and Senate. This legislation has already been scheduled for a hearing and is expected to move quickly, which will cause further disruptions to the flow of routine legislation and will eat up valuable floor time on debate.

The decision was based on the fact that the bill the Legislature passed banning the city contained more than one subject. The constitution prohibits the Legislature from passing a bill that contains more than one subject. This prohibition is frequently broadly interpreted by the Legislature as it amends legislation in the last part of the session. The court effectively established that there is no statute of limitation on this prohibition if it is raised as a defense. Because much of the tax legislation that passes happens in large omnibus bills, it calls into question not only the prospect of passing future legislation, but also the possibility of challenging legislation that has already passed.

The other issue brought forth by this decision is the authority of a city to establish its own law relating to wage and hour requirements. The impacts of this to Missouri CPAs could be significant. While CPAs are not overly impacted by minimum wage, there are other ideas that some cities have raised in the recent past, such as overtime rules, mandatory paid family leave, and non-discrimination provisions. Impacting these types of policies on a city-by-city approach would create a human relations patchwork of policies. Additional legislation is likely to develop attempting to restrict cities' authority in this area. The MSCPA will be monitoring this situation closely as it develops.

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 153, modifying provisions relating to expert witnesses, was voted do pass by the Senate Committee. It now goes to the full Senate for debate and a vote.

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. The bill was reported do pass by the House Committee on Employment Security and referred to the House Committee on Rules.

HB 288 modifies the duration of unemployment compensation, modifies the method to pay federal advances, and raises the fund trigger causing contribution rate reductions. It passed the House 100 to 56.

HB 289 specifies that beginning Jan. 1, 2018, certain shareholders of S corporations may elect to reject workers' compensation insurance coverage. It passed the House 112 to 44.

HB 655 extends the expiration date of tax credits for donations to pregnancy centers. It passed the House 122 to 33.

SB 105 requires the Department of Revenue to enter into the Streamlined Sales and Use Tax Agreement. It voted do pass as substitute from the Senate Ways and Means Committee.

SB 395 modifies provisions relating to the practice of public accounting. This is the MSCPA supported legislation for changes to comply with the Uniform Accountancy Act. The bill is scheduled for a hearing today in the Senate Professional Registration Committee.

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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