

April 30, 2018

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 situation surrounding Governor Greitens continued to dominate the media, but it had no direct impact on the legislative process last week. The Senate spent the bulk of the week working on the budget. The House spent the week advancing its priorities to position for the final crunch of bills at the end of the session. Hearings are scheduled on two major tax bills this week. There are only three weeks left in the session, but this is when the bulk of the legislation will be passed.

The Senate spent the first part of the week working on routine bills, including several that had passed the House. The last part of the week, the Senate took up and passed the budget. The House and Senate almost never agree on all aspects of the budget at first pass. The Senate made several changes to the House budget and sent it back to the House. The House has already indicated its disagreement with the Senate changes by voting to send the bills to conference. This is the normal process. Subcommittees of Representatives and Senators who worked on the budget will now meet this week to hammer out the differences. Two principles ultimately control the process. Under the Constitution, the final budget must be balanced and approved by the Friday before the end of session, which is May 12 this year. The Legislature is on track to achieve both of those requirements.

The House spent the week working on advancing some of its priorities to the Senate. One of which impacts Missouri CPAs—legislation for legalizing medical cannabis. If approved, CPAs who provide services to the dispensers will have to deal with the potential issue of how the State Board will view this practice area. [HB 1554](#) was approved on a voice vote last week. If approved on a final vote this week, the bill will go to the Senate. While this type of legislation has been introduced for the past few sessions, it has yet to pass. Faced with the possibility of a direct ballot measure, some legislators who otherwise would oppose the bill are supporting it so that the Legislature has input on the rules. This bill faces a tough path in the Senate, but the issue has advanced farther this year than in the past.

Tax reform may take another step forward this week. Two major tax bills, [HB 2540](#) and [SB 674](#), will have hearings in the Ways and Means Committees of the other body (i.e., the Senate will hear the HB, and the House will hear the SB). If voted out of committee, the bills move closer to passage. With a limited amount of time left, the outcome of these hearings will have a big impact on the bills' chances. If heavily modified or not voted out of committee right away, the bills will not have much

chance. However, if consensus is reached quickly, these bills are still in a position to make it to the finish line.

There are only three weeks left in the session, which is when most of the legislation is passed. Much of the legislation that ends up becoming law gets there by being amended to other legislation. If there are bills of interest to you, watch for amendments being added. If your bill is not moving, check on bills of related subjects to see if your issue was attached. If the other chamber does not accept all the amendments, the bill goes to a conference committee to work out the differences. During this process, all the activity may not be available in the online reports.

It is confusing to keep track at the end of the session. MOCPA will attempt to inform you of major changes via this newsletter, but if you have questions on a specific bill we're monitoring, let us know.

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](#). The following bills had significant activity this week:

[HB 1858](#), requiring the Department of Revenue to feature a map of all special taxing districts on its website, passed the Senate with an amendment. It was amended by the Senate to change the interest rate charged on delinquent taxes. The House did not accept, and the bill will go to conference.

[SB 593](#), enacting provisions relating to financial solvency of insurance companies, was third read and finally passed by the House 130 to 2.

[SB 773](#) and [SB 884](#) were amended by the General Laws Committee. Both bills now contain the provisions of [HB 2638](#), which addresses reporting affiliated company sales on consolidated returns. The bills were voted do pass.

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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