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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, the Legislature continued on its path of passing priority legislation. The governor's cabinet began the process of confirmation. Several appointees to the governor's tax reform committee were named. Gov. Greitens continued to break with Capitol traditions by unveiling his budget at a local school rather than presenting it to the legislators at the Capitol.

Probably the biggest priority of the Republican majorities in the House and Senate was the passage of legislation making Missouri a right-to-work state. Many candidates campaigned on that as a priority. It was stated as a top priority in the opening remarks of the session by both the president pro-tem of the Senate and the speaker of the House, as well as by the governor in his State of the State speech. The Legislature took the final vote on [SB 19](#), which establishes Missouri as a right-to-work state. The bill now goes to the governor, who is expected to quickly sign it.

To achieve this goal in the first month is quite remarkable. It speaks to how rapidly the majority is likely to advance their other high-priority items this session. Next on the list is a series of tort reform measures. Several of these bills are moving into position to be passed in the next few weeks.

As reported last week, the governor by executive order established "The Governor's Committee for Simple, Fair, and Low Taxes." The speaker and the president pro-tem have named their representatives. The speaker has appointed state Representatives Haahr, Rehder and Barnes. The president pro-tem has appointed Senators Kraus, Koenig and Hegeman. The governor has not yet named his representatives. The committee is charged with delivering recommendations to the governor by June 30, 2017.

The Senate Gubernatorial Appointments Committee held confirmation hearings for the first of Gov. Greiten's department directors. The following nominees appeared before the committee:

- Carol Comer as director of the Department of Natural Resources;
- Anne Precythe as director of the Department of Corrections;
- Sarah Steelman as Commissioner of Administration;
- Christine Chinn as director of the Department of Agriculture; and
- Charles Juden as director of the Department of Public Safety.

The committee hearings were uneventful, and all nominees are expected to be confirmed. There is still no word on the nominee for director of revenue.

The governor broke with tradition but not presenting his budget as part of his State of the State speech. The state constitution requires that he deliver it within 30 days of the convening of the General Assembly, which was Feb. 4. The governor met that deadline, but he further broke with tradition by traveling to a school district to hold a press conference to deliver the budget. It is a very detailed document that will take some time to play out. However, the initial indications are bleak with the summary saying, "Governor

Greitens's Fiscal Year 2018 budget makes more than \$572 million in cuts across state government and reduces the state's workforce by 188 positions."

Although it is too early to have performed a detailed review of the budget, there are some indications of where the major cuts occurred. Higher education took a hit of approximately 10 percent of its core funding. These cuts will have varying impacts on different universities depending on their funding structure, but it will be felt by all. Also taking a large hit are the state's providers of services to the disabled. This cut took the form of changing the eligibility determination for providing health services. Early indications are this could impact as many as 20,000 people currently receiving services. [Click here](#) to review the governor's full budget. It now goes to the Legislature, who will decide if these cuts stand or if the budget is balanced by other cuts.

Committee Hearings of Interest

The Senate Ways and Means Committee heard [SB 285](#). This bill makes changes to most of the state's tax credit programs and uses the savings to fund a cut of the corporate tax rate. There was a great deal of testimony both for and against this bill. This is likely a precursor of the tax credit reform debate that will continue through the rest of the session.

Legislation of Interest

[Click here](#) for a list of high-priority bills the MSCPA is currently tracking that are of interest to Missouri CPAs and businesses. This site is updated weekly as new bills are filed or as a result of changes to legislation.

Some of the legislation being tracked by the MSCPA is already advancing through the Legislature, including:

- [HB 153](#)—the Expert Witness legislation—passed the House and was sent to the Senate.
- [SB 16](#), which clarifies the taxability of delivery charges, was perfected by the Senate. It needs another vote in the Senate before it goes to the House.

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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