



May 5, 2025

In order to be responsive to the latest legislative developments, MOCPA continually monitors proposed legislation. We utilize 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.

Session Update

Only two weeks remain of the 2025 legislative session. In a move that surprised many last week, the House only worked into the early afternoon on both Tuesday and Wednesday. The Senate passed a handful of House priorities while negotiations are ongoing for the partial repeal of Prop A (sick leave). Additionally, the Senate abruptly recessed Tuesday evening before returning to debate the Senate version of the FY2026 budget. The Senate also began debate on the Open Enrollment bill.

On Tuesday, the Missouri Supreme Court upheld the November voter-approved ballot measure increasing Missouri's minimum wage and expanding sick leave, Prop A. The court opinion was unanimous and ruled challenges to Prop A were invalid. The decision, written by Chief Justice Mary R. Russell and five other judges, cited that Prop A's summary was "not misleading or inaccurate so as to constitute an irregularity casting doubt on the election." The ruling means paid sick leave will be mandatory in Missouri, starting May 1, 2025. It is still uncertain whether the Legislature will try to modify the existing law. If they do, look for that to significantly disrupt the last two weeks of the session.

Budget Update

The Senate finished crafting its version of the FY2026 operating budget last week. Overall, the Senate-passed budget would spend \$1.6 billion more than the House-passed budget and \$575 million less than Governor Kehoe requested. All eyes will be focusing on the two chambers' conferees this week, as they come together to work out the differences for the FY 2026 budget before the constitutional deadline of Friday, May 9.

Legislation of Interest

As the Legislature enters the final two weeks of session, it becomes much more difficult to track legislation. Bills that are moving are heavily amended to add bills that are not moving. In many cases, individual bills must be read closely to identify issues that are of interest to the profession or your clients.

[Click here](#) to view the complete list of high-priority bills MOCPA is currently tracking. At this point in the session, the flow of legislation is very dynamic and almost any of these could be passed if amended to another bill. If you have a particular interest in a specific bill, it is best to check the status of it regularly. Also, many of the bills contain changes that may not be clear from just reading the title, so if you are interested in a particular bill, be sure to read the summary as well as the title.

A few bills of interest that had activity last week that are at or near the finish line include:

- **[SB 98](#)**, which is a banking omnibus bill, was truly agreed and finally passed. While most of the bill only impacts banks, the bill also contains changes to how some trusts are taxed, and it includes a provision that allows bank customers to designate trusted contacts whom the bank may communicate with if they suspect fraud or irregularities with the account. This bill now goes to the governor for his signature or veto.

The House companion bill, **[HB 754](#)**, was amended in the senate and passed. It makes most of the same changes as **SB 98**. It requires another vote in the House to approve the Senate amendments.

- **[HB 594](#)**, which authorizes an income tax deduction for capital gains, is the omnibus tax bill that has the best chance of passing.

- **[SB 2](#)**, which modifies provisions relating to financial statements of certain local governments, is an omnibus local government bill that contains changes to how local financial statements are published.

- **[SB 59](#)**, which authorizes an income tax deduction for certain survivor benefits and establishes several new deductions, requires House approval.

- **[SB 67](#)**, which modifies provisions relating to tax credits, contains a fix to remove penalties and interest on underpayments due to denial of allocated tax credits. The original Senate bill was heavily amended by the House. The Senate has refused to accept the House amendments so this bill would need to be approved by the House in its original form. MOCPA supports the original Senate bill.

For Additional Information

Attend MOCPA Legislative Session Wrap-up Webinar

Virtual | May 30 | 10-10:50 a.m.

After Missouri's 2025 regular legislative session adjourns, learn how bills of interest to CPAs fared, and what outcomes could impact the profession, your business or your clients. Patty Faenger, executive director of the Missouri State Board of Accountancy, will join the conversation to share important info you need to know for renewing your license this year.

[Register here](#) for this 50-minute, complimentary CPE session!

This *Government Advocacy Update* will continue regularly throughout the legislative session. If you have any questions on our legislative efforts, please visit our [government advocacy web page](#), or contact [Dena Hull](#) at (800) 264-7966, ext. 105.

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