JOURNAL OF THE HOUSE

Second Regular Session, 96th GENERAL ASSEMBLY

SIXTY-SECOND DAY, WEDNESDAY, APRIL 25, 2012

The House met pursuant to adjournment.

Speaker Tilley in the Chair.

Prayer by Msgr. Robert A. Kurwicki, Chaplain.

Blessed are those who are persecuted for righteousness sake: for theirs is the kingdom of heaven. (Matthew 5:10)

O God of us all, Who is in heaven and in earth, we acknowledge our dependence upon You and offer to You the devotion of our hearts. We come because we need You, every hour we need You. Temptations lose their power when You are near, bitterness fades away in Your presence, resentments lose their weight, and we are given courage to stand for what we believe to be right.

Grant us Your spirit as we in quietness lift our hearts in prayer to You. If we are criticized because of the stand we take, if we are misunderstood in our decisions, may we not let the disagreements of others make us disagreeable, nor may we allow a difference of opinion to make a difference in relationships, but through it all help us to keep our faith in You and in righteousness, justice, and good will. May Your kingdom come in us and through us begin to come in all.

And the House says, "Amen!"

The Pledge of Allegiance to the flag was recited.

The Speaker appointed the following to act as Honorary Pages for the Day, to serve without compensation: Emma Deien, Sophie Smith, Alissa Smith, Dominic House, Kyra Ddungu, Anna Kunz and S'Mya Matthews, Paige Parker, Leo Parker, Sophie Parker, Nico King, Luca King, and Mikayla Crile.

The Journal of the sixty-first day was approved as printed.

PERFECTION OF HOUSE BILLS

HCS HB 1818, relating to property tax on time-share units, was taken up by Representative Schad.

On motion of Representative Schad, **HCS HB 1818** was adopted.

On motion of Representative Schad, **HCS HB 1818** was ordered perfected and printed.

HB 1455, relating to the Manufacturing Jobs Act, was taken up by Representative Gatschenberger.

Representative Torpey offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Bill No. 1455, Page 8, Section 620.1910, Line 228, by inserting after all of said line the following:

"**Section 1. Notwithstanding any law to the contrary, any company that qualified for a loan, loan guarantee, or grant under section 620.495 but no longer qualifies may apply for a loan under the provisions of sections 30.750 through 30.765 if the company can demonstrate economic growth, which may include but not be limited to new jobs, increased revenues, or the acquisition of land and existing buildings, the rehabilitation of buildings or other facilities, or construction of new facilities for such company. Any company accepted for a linked deposit loan package under the provisions of this section shall be eligible for a one half point discount of the interest rate charged as provided in section 30.758. The state treasurer shall establish rules and regulations for administering the program and for determining eligibility for participation**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Torpey, **House Amendment No. 1** was adopted.

Representative Korman offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Bill No. 1455, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

"142.869. 1. The tax imposed by this chapter shall not apply to passenger motor vehicles, buses as defined in section 301.010, or commercial motor vehicles registered in this state which are powered by alternative fuel**[**,**]** **or hydrogen** and for which a valid **alternative fuel** decal has been acquired as provided in this section. The owners or operators of such motor vehicles shall, in lieu of the tax imposed by section 142.803, pay an annual alternative fuel decal fee as follows: **[**seventy-five**]** **one hundred forty** dollars on each passenger motor vehicle, school bus as defined in section 301.010, and commercial motor vehicle with a licensed gross vehicle weight of eighteen thousand pounds or less; one hundred **eighty-five** dollars on each motor vehicle with a licensed gross weight in excess of eighteen thousand pounds but not more than thirty-six thousand pounds used for farm or farming transportation operations and registered with a license plate designated with the letter "F"; **[**one**]** **two** hundred **[**fifty**]** **eighty** dollars on each motor vehicle with a licensed gross vehicle weight in excess of eighteen thousand pounds but less than or equal to thirty-six thousand pounds, and each passenger-carrying motor vehicle subject to the registration fee provided in sections 301.059, 301.061 and 301.063; **[**two**]** **four** hundred **[**fifty**]** **seventy** dollars on each motor vehicle with a licensed gross weight in excess of thirty-six thousand pounds used for farm or farming transportation operations and registered with a license plate designated with the letter "F"; and one thousand **eight hundred eighty** dollars on each motor vehicle with a licensed gross vehicle weight in excess of thirty-six thousand pounds. Notwithstanding provisions of this section to the contrary, motor vehicles licensed as historic under section 301.131 which are powered by alternative fuel shall be exempt from both the tax imposed by this chapter and the alternative fuel decal requirements of this section.

2. Except interstate fuel users and vehicles licensed under a reciprocity agreement as defined in section 142.617, the tax imposed by section 142.803 shall not apply to motor vehicles registered outside this state which are powered by alternative fuel, and for which a valid temporary alternative fuel decal has been acquired as provided in this section. The owners or operators of such motor vehicles shall, in lieu of the tax imposed by section 142.803, pay a temporary alternative fuel decal fee of **[**eight**]** **twelve** dollars on each such vehicle. Such decals shall be valid for a period of fifteen days from the date of issuance and shall be attached to the lower right-hand corner of the front windshield on the motor vehicle for which it was issued. Such **temporary** decal and fee shall not be transferable. **[**All proceeds from such decal fees shall be deposited as specified in section 142.345.**]** Alternative fuel dealers selling such decals in

accordance with rules and regulations prescribed by the director shall be allowed to retain fifty cents for each decal fee timely remitted to the director.

3. The director shall annually, on or before January thirty-first of each year, collect or cause to be collected from owners or operators of the motor vehicles specified in subsection 1 of this section the annual decal fee. Applications for such decals shall be **created and** supplied by the department of revenue. In the case of a motor vehicle which is not in operation by January thirty-first of any year, a decal may be purchased for a fractional period of such year, and the amount of the decal fee shall be reduced by one-twelfth for each complete month which shall have elapsed since the beginning of such year.

4. Upon the payment of the fee required by subsection 1 of this section, the director shall issue a decal, which shall be valid for the current calendar year and shall be attached to the lower right-hand corner of the front windshield on the motor vehicle for which it was issued.

5. The decal fee paid pursuant to subsection 1 of this section for each motor vehicle shall be transferable upon a change of ownership of the motor vehicle and, if the LP gas or natural gas equipment is removed from a motor vehicle upon a change of ownership and is reinstalled in another motor vehicle, upon such reinstallation. Such transfers shall be accomplished in accordance with rules and regulations promulgated by the director.

6. It shall be unlawful for any person to operate a motor vehicle required to have an alternative fuel decal upon the highways of this state without a valid decal.

7. No person shall cause to be put, or put, LP gas or natural gas into the fuel supply receptacle of a motor vehicle required to have an alternative fuel decal unless the motor vehicle has a valid decal attached to it. Sales of fuel placed in the supply receptacle of a motor vehicle displaying such decal shall be recorded upon an invoice, which invoice shall include the decal number, the motor vehicle license number and the number of gallons placed in such supply receptacle.

8. Any person violating any provision of this section is guilty of an infraction and shall, upon conviction thereof, be fined five hundred dollars.

9. Motor vehicles displaying a valid alternative fuel decal are exempt from the licensing and reporting requirements of this chapter.

10. For all new alternative fuel or hydrogen-powered vehicles assembled in Missouri, the first year's decal fee shall be one-half of the fees as proposed in this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Korman, **House Amendment No. 2** was adopted.

Representative Solon offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Bill No. 1455, Page 2, Section 620.478, Line 24, by inserting after all of said line the following:

"620.1881. 1. The department of economic development shall respond within thirty days to a company who provides a notice of intent with either an approval or a rejection of the notice of intent. The department shall give preference to qualified companies and projects targeted at an area of the state which has recently been classified as a disaster area by the federal government. Failure to respond on behalf of the department of economic development shall result in the notice of intent being deemed an approval for the purposes of this section. A qualified company who is provided an approval for a project shall be allowed a benefit as provided in this program in the amount and duration provided in this section. A qualified company may receive additional periods for subsequent new jobs at the same facility after the full initial period if the minimum thresholds are met as set forth in sections 620.1875 to 620.1890. There is no limit on the number of periods a qualified company may participate in the program, as long as the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program or other state programs. A qualified company may elect to file a notice of intent to start a new project period concurrent with an existing project period if the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program and other state programs; however, the qualified company may not receive any further benefit under the original approval for jobs created after the date of the new notice of intent, and any jobs created before the new notice of intent may not be included as new jobs for the purpose of benefit calculation in relation to the new approval. When a qualified company has filed

and received approval of a notice of intent and subsequently files another notice of intent, the department shall apply the definition of project facility under subdivision (19) of section 620.1878 to the new notice of intent as well as all previously approved notices of intent and shall determine the application of the definitions of new job, new payroll, project facility base employment, and project facility base payroll accordingly.

2. Notwithstanding any provision of law to the contrary, any qualified company that is awarded benefits under this program may not simultaneously receive tax credits or exemptions under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 at the same project facility. The benefits available to the company under any other state programs for which the company is eligible and which utilize withholding tax from the new jobs of the company must first be credited to the other state program before the withholding retention level applicable under the Missouri quality jobs act will begin to accrue. These other state programs include, but are not limited to, the new jobs training program under sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified company also participates in the new jobs training program in sections 178.892 to 178.896, the company shall retain no withholding tax, but the department shall issue a refundable tax credit for the full amount of benefit allowed under this **[**subdivision**]** **subsection**. The calendar year annual maximum amount of tax credits which may be issued to a qualifying company that also participates in the new job training program shall be increased by an amount equivalent to the withholding tax retained by that company under the new jobs training program. However, if the combined benefits of the quality jobs program and the new jobs training program exceed the projected state benefit of the project, as determined by the department of economic development through a cost-benefit analysis, the increase in the maximum tax credits shall be limited to the amount that would not cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

3. The types of projects and the amount of benefits to be provided are:

(1) Small and expanding business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to the withholding tax as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 for a period of three years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds the county average wage or for a period of five years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage;

(2) Technology business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to a maximum of five percent of new payroll for a period of five years from the date the required number of jobs were created from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 if the average wage of the new payroll equals or exceeds the county average wage. An additional one-half percent of new payroll may be added to the five percent maximum if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located, plus an additional one-half percent of new payroll may be added if the average wage of the new payroll in any year exceeds one hundred forty percent of the average wage in the county in which the project facility is located. The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subdivision;

(3) High impact projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years from the date the required number of jobs were created if the average wage of the new payroll equals or exceeds the county average wage of the county in which the project facility is located. For high-impact projects in a facility located within two adjacent counties, the new payroll shall equal or exceed the higher county average wage of the adjacent counties. The percentage of payroll allowed under this subdivision shall be three and one-half percent of new payroll if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located. The percentage of payroll allowed under this subdivision shall

be four percent of new payroll if the average wage of the new payroll in any year exceeds one hundred forty percent of the county average wage in the county in which the project facility is located. An additional one percent of new payroll may be added to these percentages if local incentives equal between ten percent and twenty-four percent of the new direct local revenue; an additional two percent of new payroll is added to these percentages if the local incentives equal between twenty-five percent and forty-nine percent of the new direct local revenue; or an additional three percent of payroll is added to these percentages if the local incentives equal fifty percent or more of the new direct local revenue. The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subdivision;

(4) Job retention projects: a qualified company may receive a tax credit for the retention of jobs in this state, provided the qualified company and the project meets all of the following conditions:

(a) For each of the twenty-four months preceding the year in which application for the program is made the qualified company must have maintained at least one thousand full-time employees at the employer's site in the state at which the jobs are based, and the average wage of such employees must meet or exceed the county average wage;

(b) The qualified company retained at the project facility the level of full-time employees that existed in the taxable year immediately preceding the year in which application for the program is made;

(c) The qualified company is considered to have a significant statewide effect on the economy, and has been determined to represent a substantial risk of relocation **or quality job loss** from the state by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development;

(d) The qualified company in the project facility will cause to be invested a minimum of **[**seventy**]** **fifty** million dollars in new investment prior to the end of **[**two**]** **five** years or will cause to be invested a minimum of thirty million dollars in new investment prior to the end of two years and maintain an annual payroll of at least seventy million dollars during each of the years for which a credit is claimed; and

(e) The local taxing entities shall provide local incentives of at least fifty percent of the new direct local revenues created by the project over a ten-year period. The quality jobs advisory task force may recommend to the department of economic development that appropriate penalties be applied to the company for violating the agreement. The amount of the job retention credit granted may be equal to up to fifty percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of five years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a job retention project or combination of job retention projects shall be seven hundred fifty thousand dollars per year, but the maximum amount may be increased up to one million dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, **[**2013**]** **2018**;

(5) Small business job retention and flood survivor relief: a qualified company may receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in this state for each job retained over a three-year period, provided that:

(a) The qualified company did not receive any state or federal benefits, incentives, or tax relief or abatement in locating its facility in a flood plain;

(b) The qualified company and related companies have fewer than one hundred employees at the time application for the program is made;

(c) The average wage of the qualified company's and related companies' employees must meet or exceed the county average wage;

(d) All of the qualified company's and related companies' facilities are located in this state;

(e) The facilities at the primary business site in this state have been directly damaged by floodwater rising above the level of a five hundred year flood at least two years, but fewer than eight years, prior to the time application is made;

(f) The qualified company made significant efforts to protect the facilities prior to any impending danger from rising floodwaters;

(g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified company and related companies retained, at the company's facilities in this state, at least the level of full-time, year-round employees that existed in the taxable year immediately preceding the year in which application for the program is made; and

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention and flood survivor relief projects approved by the department after August 30, 2010.

4. The qualified company shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for the benefits of this program. The department may withhold the approval of any benefits until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time employees or new payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the minimum number of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the county average wage and the minimum number of new jobs. In such annual report, if the average wage is below the county average wage, the qualified company has not maintained the employee insurance as required, or if the number of new jobs is below the minimum, the qualified company shall not receive tax credits or retain the withholding tax for the balance of the benefit period. In the case of a qualified company that initially filed a notice of intent and received an approval from the department for high-impact benefits and the minimum number of new jobs in an annual report is below the minimum for high-impact projects, the company shall not receive tax credits for the balance of the benefit period but may continue to retain the withholding taxes if it otherwise meets the requirements of a small and expanding business under this program.

5. The maximum calendar year annual tax credits issued for the entire program shall not exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the maximum annual tax credits authorized under section 135.535 are hereby reduced from ten million dollars to eight million dollars, with the balance of two million dollars transferred to this program. There shall be no limit on the amount of withholding taxes that may be retained by approved companies under this program.

6. The department shall allocate the annual tax credits based on the date of the approval, reserving such tax credits based on the department's best estimate of new jobs and new payroll of the project, and the other factors in the determination of benefits of this program. However, the annual issuance of tax credits is subject to the annual verification of the actual new payroll. The allocation of tax credits for the period assigned to a project shall expire if, within two years from the date of commencement of operations, or approval if applicable, the minimum thresholds have not been achieved. The qualified company may retain authorized amounts from the withholding tax under this section once the minimum new jobs thresholds are met for the duration of the project period. No benefits shall be provided under this program until the qualified company meets the minimum new jobs thresholds. In the event the qualified company does not meet the minimum new job threshold, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

7. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148, and may not be carried forward but shall be claimed within one year of the close of the taxable year for which they were issued, except as provided under subdivision (4) of subsection 3 of this section.

9. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

10. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that at issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration, or any other state department, concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

11. Except as provided under subdivision (4) of subsection 3 of this section, the director of revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed in this section exceeds the amount of the qualified company's income tax.

12. An employee of a qualified company will receive full credit for the amount of tax withheld as provided in section 143.211.

13. If any provision of sections 620.1875 to 620.1890 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared severable."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Solon, **House Amendment No. 3** was adopted.

Representative Barnes offered **House Amendment No. 4**.

House Amendment No. 4

AMEND House Bill No. 1455, Page 1, Section A, Line 2, by inserting after all of said line the following:

"**620.007. The department of economic development shall require start-up companies that apply for economic development incentives, where the incentive is provided up-front, to provide verification of financial information when an application for such incentives is submitted to the department. In complying with this section, the department shall define "start-up company".**

620.009. 1. The department of economic development shall share either by electronic copy of the original source or as close as a reproduction as possible all adverse information it has about a company seeking state and local economic development incentives with all local governments, local not-for-profit economic development organizations, and economic development officials competing for the company's business.

2. Local governments, local not-for-profit economic development organizations, and economic development officials working with a company seeking state or local economic development incentives shall also share with the department of economic development all adverse information received about a company.

3. In complying with the provisions of this section, all adverse information received about a company seeking state or local economic development incentives shall be subject to the provisions of section 620.014.

4. In working with local governments, local not-for-profit economic development organizations, and economic development officials on projects, the department of economic development shall designate one or more persons as the local contact for each project. The designated contacts shall be the persons through whom all information required in this section shall be provided. Such persons shall be required to sign a nondisclosure

agreement agreeing not to divulge information, including company name, acquired about an applicant for economic development incentives to the general public.

5. In complying with the provisions of this section, no person or entity shall be required to violate terms of another nondisclosure agreement related to the project, except that the department of economic development shall not enter into a nondisclosure agreement that forbids sharing of adverse information under this section.

620.019. The department of economic development shall develop a rating system to apprise local governments of the department's opinion on proposals for discretionary economic development incentives that combine local and state resources.

Section 1. The department of economic development shall include a conflict of interest policy in all new consulting contracts for trade offices located in foreign countries."; and

Further amend said title, enacting clause and intersectional references accordingly.

On motion of Representative Barnes, **House Amendment No. 4** was adopted.

Representative Torpey offered **House Amendment No. 5**.

House Amendment No. 5

AMEND House Bill No. 1455, Page 2, Section 620.478, Line 24, by inserting immediately after said line the following:

"620.1878. For the purposes of sections 620.1875 to 620.1890, the following terms shall mean:

(1) "Approval", a document submitted by the department to the qualified company that states the benefits that may be provided by this program;

(2) "Average wage", the new payroll divided by the number of new jobs;

(3) "Commencement of operations", the starting date for the qualified company's first new employee, which must be no later than twelve months from the date of the approval;

(4) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any qualified company that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, the company shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(5) "Department", the Missouri department of economic development;

(6) "Director", the director of the department of economic development;

(7) "Employee", a person employed by a qualified company;

(8) "Full-time employee", an employee of the qualified company that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the qualified company offers health insurance and pays at least fifty percent of such insurance premiums;

(9) "High-impact project", a qualified company that, within two years from commencement of operations, creates one hundred or more new jobs;

(10) "Local incentives", the present value of the dollar amount of direct benefit received by a qualified company for a project facility from one or more local political subdivisions, but shall not include loans or other funds provided to the qualified company that must be repaid by the qualified company to the political subdivision;

(11) "NAICS", the 1997 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group or industry identified in this section shall include its corresponding classification in subsequent federal industry classification systems;

(12) "New direct local revenue", the present value of the dollar amount of direct net new tax revenues of the local political subdivisions likely to be produced by the project over a ten-year period as calculated by the department,

excluding local earnings tax, and net new utility revenues, provided the local incentives include a discount or other direct incentives from utilities owned or operated by the political subdivision;

(13) **"New capital investment", shall include costs incurred by the qualified company at the project facility after acceptance by the qualified company of the proposal for benefits from the department or the approval of the notice of intent, whichever occurs first, for real or personal property, and may include the value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after acceptance by the qualified company of the proposal for benefits from the department or approval of the notice of intent;**

(14) "New investment", the purchase or leasing of new tangible assets to be placed in operation at the project facility, which will be directly related to the new jobs;

[(14)**] (15)** "New job", the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job. An employee that spends less than fifty percent of the employee's work time at the facility is still considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility's payroll, one hundred percent of the employee's income from such employment is Missouri income, and the employee is paid at or above the state average wage;

[(15)**] (16)** "New payroll", the amount of taxable wages of full-time employees, excluding owners, located at the project facility that exceeds the project facility base payroll. If full-time employment at related facilities is below the related facility base employment, any decrease in payroll for full-time employees at the related facilities below that related facility base payroll shall also be subtracted to determine new payroll;

[(16)**] (17)** "Notice of intent", a form developed by the department, completed by the qualified company and submitted to the department which states the qualified company's intent to hire new jobs and request benefits under this program;

[(17)**] (18)** "Percent of local incentives", the amount of local incentives divided by the amount of new direct local revenue;

[(18)**] (19)** "Program", the Missouri quality jobs program provided in sections 620.1875 to 620.1890;

[(19)**] (20)** "Project facility", the building used by a qualified company at which the new jobs and new investment will be located. A project facility may include separate buildings that are located within fifteen miles of each other or within the same county such that their purpose and operations are interrelated;

[(20)**] (21)** "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

[(21)**] (22)** "Project facility base payroll", the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at the project facility in the twelve months prior to the notice of intent, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. For purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on an appropriate measure, as determined by the department;

[(22)**] (23)** "Project period", the time period that the benefits are provided to a qualified company;

(24) "Projected net fiscal benefit", the total fiscal benefit to the state less any state benefits offered to the qualified company;

[(23)**] (25)** "Qualified company", a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, offers health insurance to all full-time employees of all facilities located in this state, and pays at least fifty percent of such insurance premiums. For the purposes of sections 620.1875 to 620.1890, the term "qualified company" shall not include:

(a) Gambling establishments (NAICS industry group 7132);

(b) Retail trade establishments (NAICS sectors 44 and 45);

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may be a qualified company provided that such company:

a. Certifies to the department that it plans to reorganize and not to liquidate; and

b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) Educational services (NAICS sector 61);

(h) Religious organizations (NAICS industry group 8131);

(i) Public administration (NAICS sector 92);

(j) Ethanol distillation or production; or

(k) Biodiesel production. Notwithstanding any provision of this section to the contrary, the headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied;

[(24)**] (26)** "Qualified renewable energy sources" shall not be construed to include ethanol distillation or production or biodiesel production; however, it shall include:

(a) Open-looped biomass;

(b) Close-looped biomass;

(c) Solar;

(d) Wind;

(e) Geothermal; and

(f) Hydropower;

[(25)**] (27)** "Related company" means:

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust or association in control of the qualified company. As used in this subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

[(26)**] (28)** "Related facility", a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility;

[(27)**] (29)** "Related facility base employment", the greater of the number of full-time employees located at all related facilities on the date of the notice of intent or for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at all related facilities of the qualified company or a related company located in this state;

[(28)**] (30)** "Related facility base payroll", the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at a related facility in the twelve months prior to the filing of the notice of intent, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. For purposes of calculating the benefits under this program, the amount of related facility base payroll shall increase each year based on an appropriate measure, as determined by the department;

[(29)**] (31)** "Rural area", a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census;

[(30)**] (32)** "Small and expanding business project", a qualified company that within two years of the date of the approval creates a minimum of twenty new jobs if the project facility is located in a rural area or a minimum of forty

new jobs if the project facility is not located in a rural area and creates fewer than one hundred new jobs regardless of the location of the project facility;

[(31)**] (33)** "Tax credits", tax credits issued by the department to offset the state income taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this program;

[(32)**] (34)** "Technology business project", a qualified company that within two years of the date of the approval creates a minimum of ten new jobs involved in the operations of a company:

(a) Which is a technology company, as determined by a regulation promulgated by the department under the provisions of section 620.1884 or classified by NAICS codes;

(b) Which owns or leases a facility which produces electricity derived from qualified renewable energy sources, or produces fuel for the generation of electricity from qualified renewable energy sources, but does not include any company that has received the alcohol mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26 U.S.C. Section 40 of the tax code in the previous tax year;

(c) Which researches, develops, or manufactures power system technology for: aerospace; space; defense; hybrid vehicles; or implantable or wearable medical devices; or

(d) Which is a clinical molecular diagnostic laboratory focused on detecting and monitoring infections in immunocompromised patient populations;

[(33)**] (35)** "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax shall be computed using a schedule as determined by the department based on average wages.

620.1881. 1. The department of economic development shall respond within thirty days to a company who provides a notice of intent with either an approval or a rejection of the notice of intent. The department shall give preference to qualified companies and projects targeted at an area of the state which has recently been classified as a disaster area by the federal government. Failure to respond on behalf of the department of economic development shall result in the notice of intent being deemed an approval for the purposes of this section. A qualified company who is provided an approval for a project shall be allowed a benefit as provided in this program in the amount and duration provided in this section. A qualified company may receive additional periods for subsequent new jobs at the same facility after the full initial period if the minimum thresholds are met as set forth in sections 620.1875 to 620.1890. There is no limit on the number of periods a qualified company may participate in the program, as long as the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program or other state programs. A qualified company may elect to file a notice of intent to start a new project period concurrent with an existing project period if the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program and other state programs; however, the qualified company may not receive any further benefit under the original approval for jobs created after the date of the new notice of intent, and any jobs created before the new notice of intent may not be included as new jobs for the purpose of benefit calculation in relation to the new approval. When a qualified company has filed and received approval of a notice of intent and subsequently files another notice of intent, the department shall apply the definition of project facility under subdivision **[**(19)**] (20)** of section 620.1878 to the new notice of intent as well as all previously approved notices of intent and shall determine the application of the definitions of new job, new payroll, project facility base employment, and project facility base payroll accordingly.

2. Notwithstanding any provision of law to the contrary, any qualified company that is awarded benefits under this program may not simultaneously receive tax credits or exemptions under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 at the same project facility. The benefits available to the company under any other state programs for which the company is eligible and which utilize withholding tax from the new jobs of the company must first be credited to the other state program before the withholding retention level applicable under the Missouri quality jobs act will begin to accrue. These other state programs include, but are not limited to, the new jobs training program under sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified company also participates in the new jobs training program in sections 178.892 to 178.896, the company shall retain no withholding tax, but the department shall issue a refundable tax credit for the full amount of benefit allowed under this **[**subdivision**] subsection**. The calendar year annual maximum amount of tax credits which may be issued to a qualifying company that also participates in the new job training program shall be increased by an amount equivalent to the withholding tax retained by that company under the new jobs training program. However, if the combined benefits of the quality jobs program and the new jobs training program exceed the projected state benefit of the project, as determined by the department of economic development through a cost-benefit analysis, the increase in the maximum tax credits shall be

limited to the amount that would not cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

3. The types of projects and the amount of benefits to be provided are:

(1) Small and expanding business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to the withholding tax as calculated under subdivision **[**(33)**] (35)** of section 620.1878 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 for a period of three years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds the county average wage or for a period of five years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage;

(2) Technology business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to a maximum of five percent of new payroll for a period of five years from the date the required number of jobs were created from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 if the average wage of the new payroll equals or exceeds the county average wage. An additional one-half percent of new payroll may be added to the five percent maximum if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located, plus an additional one-half percent of new payroll may be added if the average wage of the new payroll in any year exceeds one hundred forty percent of the average wage in the county in which the project facility is located. The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subdivision;

(3) High impact projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years from the date the required number of jobs were created if the average wage of the new payroll equals or exceeds the county average wage of the county in which the project facility is located. For high-impact projects in a facility located within two adjacent counties, the new payroll shall equal or exceed the higher county average wage of the adjacent counties. The percentage of payroll allowed under this subdivision shall be three and one-half percent of new payroll if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located. The percentage of payroll allowed under this subdivision shall be four percent of new payroll if the average wage of the new payroll in any year exceeds one hundred forty percent of the county average wage in the county in which the project facility is located. An additional one percent of new payroll may be added to these percentages if local incentives equal between ten percent and twenty-four percent of the new direct local revenue; an additional two percent of new payroll is added to these percentages if the local incentives equal between twenty-five percent and forty-nine percent of the new direct local revenue; or an additional three percent of payroll is added to these percentages if the local incentives equal fifty percent or more of the new direct local revenue. The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subdivision;

(4) Job retention projects: a qualified company may receive a tax credit for the retention of jobs in this state, provided the qualified company and the project meets all of the following conditions:

(a) For each of the twenty-four months preceding the year in which application for the program is made the qualified company must have maintained at least one thousand full-time employees at the employer's site in the state at which the jobs are based, and the average wage of such employees must meet or exceed the county average wage;

(b) The qualified company retained at the project facility the level of full-time employees that existed in the taxable year immediately preceding the year in which application for the program is made;

(c) The qualified company is considered to have a significant statewide effect on the economy, and has been determined to represent a substantial risk of relocation from the state by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development;

(d) The qualified company in the project facility will cause to be invested a minimum of seventy million dollars in new investment prior to the end of two years or will cause to be invested a minimum of thirty million dollars in new investment prior to the end of two years and maintain an annual payroll of at least seventy million dollars during each of the years for which a credit is claimed; and

(e) The local taxing entities shall provide local incentives of at least fifty percent of the new direct local revenues created by the project over a ten-year period. The quality jobs advisory task force may recommend to the department of economic development that appropriate penalties be applied to the company for violating the agreement. The amount of the job retention credit granted may be equal to up to fifty percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of five years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a job retention project or combination of job retention projects shall be seven hundred fifty thousand dollars per year, but the maximum amount may be increased up to one million dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, 2013;

(5) Job retention projects: In lieu of the benefits provided under subdivision (4) of this subsection and in exchange for the consideration provided by the tax revenues and other economic stimuli that will be generated by the retention of jobs and new capital investment in this state, a qualified company may be eligible to receive the benefits described in this subdivision if the department determines that there is a significant probability that the qualified company would relocate to another state in the absence of the benefits authorized under this subdivision;

(a) A qualified company meeting the requirements of this subdivision may be authorized to retain an amount not to exceed one hundred percent of the withholding tax from full-time jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, for a period of ten years if the average wage of the retained jobs equals or exceeds ninety percent of the county average wage. In order to receive benefits under this subdivision, a qualified company shall enter into a written agreement, with the department, containing detailed performance requirements and repayment penalties in the event of nonperformance. The amount of benefits awarded to a qualified company under this subdivision shall not exceed the projected net fiscal benefit and shall not exceed the least amount necessary to obtain the qualified company's commitment to retain the necessary number of jobs and make the required new capital investment;

(b) In order to be eligible to receive benefits under this subdivision, the qualified company shall meet each of the following conditions:

a. The qualified company shall agree to retain, for a period of ten years from the date of approval of the notice of intent, at least one hundred and twenty-five full-time employees; and

b. The qualified company shall agree to make a new capital investment at the project facility within three years from the approval of the notice of intent in an amount equal to one half the total benefits provided under this subdivision, which are offered to the qualified company by the department;

(c) In awarding benefits under this subdivision, the department shall consider the following factors:

a. The significance of the qualified company's need for program benefits;

b. The amount of projected net fiscal benefit to the state of the project and the period in which the state would realize such net fiscal benefit;

c. The overall size and quality of the proposed project, including the number of new jobs, new capital investment, proposed wages, growth potential of the qualified company, the potential multiplier effect of the project, and similar factors;

d. The financial stability and creditworthiness of the qualified company;

e. The level of economic distress in the area;

f. An evaluation of the competitiveness of alternative locations for the project facility, as applicable;

(d) Upon approval of a notice of intent to request benefits under this subdivision, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

a. The committed number of full-time employees, payroll, and new capital investment for each year during the project period;

b. Clawback provisions, as may be required by the department; and

c. Any other provisions the department may require;

(6) In no event shall the total amount of all benefits provided in subdivisions (5) and (7) of this subsection for all qualified companies under this subdivision exceed six million dollars for any fiscal year beginning on or after July 1, 2012;

(7) A qualified company meeting the requirements of subdivision (5) of this subsection may elect a one-time issuance of tax credits in an amount not to exceed eighty percent of the amount the qualified company may otherwise be eligible to retain for a period of ten years under subdivision (5) of this subsection;

(a) In addition to satisfying each of the requirements of subdivision (5) of this subsection, a qualified company requesting tax credits under this subdivision shall provide to the department, prior to approval, evidence of commitments for the financing of any applicable new capital investment. The new capital investment shall be made at the project facility within three years of the date of approval;

(b) Upon approval of a notice of intent to request tax credits under this subdivision, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

a. The committed number of jobs, payroll, and new capital investment for each year during the project period;

b. The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed three years from the date of approval;

c. Penalties, including the recapture of tax credits awarded under this subdivision, for failure to satisfy the requirements provided under this subdivision and subdivision (5) of this subsection; and

d. Any other provisions the department may require;

(8) Prior to the award of benefits under subdivision (5) or (7) of this subsection, the director of the department shall notify the president pro tem of the senate and the speaker of the house of representatives of the amount of the proposed award, including the county and city in which the project facility is located, the number of retained jobs and the average wages for such retained jobs, the estimated amount of new capital investment, and the amount of the projected net fiscal benefit to the state from the project; provided that, nothing herein shall require the disclosure of information otherwise protected from disclosure by law;

[(5)**] (9)** Small business job retention and flood survivor relief: a qualified company may receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in this state for each job retained over a three-year period, provided that:

(a) The qualified company did not receive any state or federal benefits, incentives, or tax relief or abatement in locating its facility in a flood plain;

(b) The qualified company and related companies have fewer than one hundred employees at the time application for the program is made;

(c) The average wage of the qualified company's and related companies' employees must meet or exceed the county average wage;

(d) All of the qualified company's and related companies' facilities are located in this state;

(e) The facilities at the primary business site in this state have been directly damaged by floodwater rising above the level of a five hundred year flood at least two years, but fewer than eight years, prior to the time application is made;

(f) The qualified company made significant efforts to protect the facilities prior to any impending danger from rising floodwaters;

(g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified company and related companies retained, at the company's facilities in this state, at least the level of full-time, year-round employees that existed in the taxable year immediately preceding the year in which application for the program is made; and

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887. In considering such a request, the task force shall rely on economic modeling and other information supplied by the

department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention and flood survivor relief projects approved by the department after August 30, 2010.

4. The qualified company shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for the benefits of this program. The department may withhold the approval of any benefits until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time employees or new payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the minimum number of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the county average wage and the minimum number of new jobs. In such annual report, if the average wage is below the county average wage, the qualified company has not maintained the employee insurance as required, or if the number of new jobs is below the minimum, the qualified company shall not receive tax credits or retain the withholding tax for the balance of the benefit period. In the case of a qualified company that initially filed a notice of intent and received an approval from the department for high-impact benefits and the minimum number of new jobs in an annual report is below the minimum for high-impact projects, the company shall not receive tax credits for the balance of the benefit period but may continue to retain the withholding taxes if it otherwise meets the requirements of a small and expanding business under this program.

5. The maximum calendar year annual tax credits issued for the entire program shall not exceed eighty million dollars**, with ten million dollars reserved to be awarded under subsection 14 of this section**. Notwithstanding any provision of law to the contrary, the maximum annual tax credits authorized under section 135.535 are hereby reduced from ten million dollars to eight million dollars, with the balance of two million dollars transferred to this program. There shall be no limit on the amount of withholding taxes that may be retained by approved companies under this program.

6. The department shall allocate the annual tax credits based on the date of the approval, reserving such tax credits based on the department's best estimate of new jobs and new payroll of the project, and the other factors in the determination of benefits of this program. However, the annual issuance of tax credits is subject to the annual verification of the actual new payroll. The allocation of tax credits for the period assigned to a project shall expire if, within two years from the date of commencement of operations, or approval if applicable, the minimum thresholds have not been achieved. The qualified company may retain authorized amounts from the withholding tax under this section once the minimum new jobs thresholds are met for the duration of the project period. No benefits shall be provided under this program until the qualified company meets the minimum new jobs thresholds. In the event the qualified company does not meet the minimum new job threshold, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

7. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148, and may not be carried forward but shall be claimed within one year of the close of the taxable year for which they were issued, except as provided under subdivision (4) of subsection 3 of this section.

9. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

10. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that at issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration, or any other state department, concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify

the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

11. Except as provided under subdivision (4) of subsection 3 of this section, the director of revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed in this section exceeds the amount of the qualified company's income tax.

12. An employee of a qualified company will receive full credit for the amount of tax withheld as provided in section 143.211.

13. If any provision of sections 620.1875 to 620.1890 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared severable.

14. For each calendar year beginning on or after January 1, 2013, but ending on or before December 31, 2014, in lieu of all other benefits available under this program, the department may authorize a qualified company meeting the requirements of this subsection and subsection 3 of this section to be issued tax credits in an amount not to exceed seven percent of new payroll from the new jobs created projected over a period of five years from the date the required number of new jobs are to be created, or, if the qualified company is in a targeted industry identified by the department by rule following a strategic planning process as being critical to the state's economic security and growth, the department may authorize tax credits in an amount not to exceed nine percent of new payroll from the new jobs created, projected over a period of five years. The amount of benefits awarded to a qualified company under this section shall not exceed the projected net fiscal benefit to the state over a ten year period, as determined by the department, and may not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In no event shall the tax credits authorized under this subsection exceed ten million dollars annually.

(1) Prior to approval, a qualified company requesting benefits under this subsection shall provide evidence of commitments for the financing of any applicable new capital investment. The new capital investment shall be made at the project facility within two years of the date of approval of the notice of intent.

(2) In awarding tax credits under this subsection, the department shall consider factors set forth in subsection 2 of this section.

(3) Upon approval of a notice of intent to receive tax credits under this subsection, the department and the qualified company shall enter into a written agreement covering the applicable project period containing detailed performance requirements and repayment penalties in event of nonperformance. The agreement shall specify, at a minimum:

(a) The committed number of new jobs, payroll, and new capital investment for each year during the project period;

(b) The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval of the notice of intent;

(c) Clawback provisions provided under subdivision (4) of this subsection; and

(d) Any other provisions necessary to effectuate the intent of this subsection.

(4) The following clawback provisions shall apply to any benefits awarded under this subsection:

(a) If a qualified company fails to meet any requirements of this section, including the applicable number of new jobs created or new capital investment within two years from the date of approval of its notice of intent, the qualified company shall repay the face amount of all tax credits received from the department, plus interest of nine percent per annum from the date the tax credits were issued. However, the director may, in his or her discretion, provide an extension up to two additional years or reduce such payment, if such failure is caused by documented unforeseen events that negatively affected the operations at the project facility that were not under the control of the qualified company;

(b) If, during any year of the project period, the average wage of the new payroll paid by the qualified company fails to equal or exceed the applicable percentage of the county average wage, or the qualified company fails to offer and pay fifty percent of the premium for health insurance to all of its full-time employees located in this state, the company shall refund to the state an amount equal to the face amount of all tax credits received from the department under this program, divided by the number of years in the project period. In addition to the refund, the qualified company shall pay interest of nine percent per annum from the date the tax credits were issued on the amount of the refund;

(c) If the qualified company fails to meet its payroll commitment for any year during the project period, it shall refund to the state a portion of its total benefit received under this section based on the following formula:

the total amount of tax credits received by the qualified company, divided by the number of years during the project period, and multiplied by a fraction, the numerator of which is the contractually agreed-upon amount of payroll for that year minus the actual amount of payroll made by the company during the year, and the denominator of which is the contractually agreed upon amount of payroll made for that same year. In addition to the refund, the qualified company shall pay interest of nine percent per annum from the date the tax credits were issued on the amount of the refund;

(d) If the qualified company fails to meet its payroll or new capital investment requirements for any year during the project period and the director has a reasonable belief that the qualified company will not be able to meet its performance requirements during all or any portion of the remainder of the project period, the director may require the company to repay all or a proportionate amount of the total tax credits received by the company attributable to the remaining years of the project period as well as the current year, plus interest of nine percent per annum on the amount of repayment from the date the tax credits were issued.

(5) Prior to the award of benefits under this subsection, the director of the department shall notify the president pro tem of the senate and the speaker of the house of representatives of the amount of the proposed award, including the county and city in which the project facility is located, the number of new jobs and the proposed wages for such new jobs, the estimated amount of new capital investment, and the amount of the projected net fiscal benefit to the state from the project; provided that, nothing herein shall require the disclosure of information otherwise protected from disclosure by law."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Torpey, **House Amendment No. 5** was adopted.

Representative Ellinger offered **House Amendment No. 6**.

House Amendment No. 6

AMEND House Bill No. 1455, Page 1, Section A, Line 2, by inserting after all of said section and line the following:

"67.1305. 1. As used in this section, the term "city" shall mean any incorporated city, town, or village.

2. In lieu of the sales taxes authorized under sections 67.1300 and 67.1303, the governing body of any city or county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city or county submits to the voters of the city or county at any citywide, county or state general, primary or special election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The tax authorized in this section shall not be imposed by any city or county that has imposed a tax under section 67.1300 or 67.1303 unless the tax imposed under those sections has expired or been repealed.

3. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall ..... (insert the name of the city or county) impose a sales tax at a rate of ..... (insert rate of percent) percent for economic development purposes?

☐ YES ☐ NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question, provided that no proposal shall be resubmitted to the voters sooner than twelve months from the date of the submission of the last proposal.

4. All sales taxes collected by the director of revenue under this section on behalf of any county or municipality, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which is hereby created, to be known as the "Local Option Economic Development Sales Tax Trust Fund".

5. The moneys in the local option economic development sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund and which was collected in each city or county imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the city or county and the public.

6. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the city or county which levied the tax. Such funds shall be deposited with the county treasurer of each such county or the appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising from the local economic development sales tax trust fund shall be in accordance with this section.

7. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities and counties.

8. If any county or municipality abolishes the tax, the city or county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such city or county, the director of revenue shall remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

9. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed pursuant to this section.

10. (1) No revenue generated by the tax authorized in this section shall be used for any retail development project, except for the redevelopment of downtown areas and historic districts. Not more than twenty-five percent of the revenue generated shall be used annually for administrative purposes, including staff and facility costs.

(2) At least twenty percent of the revenue generated by the tax authorized in this section shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:

(a) Acquisition of land;

(b) Installation of infrastructure for industrial or business parks;

(c) Improvement of water and wastewater treatment capacity;

(d) Extension of streets;

(e) Public facilities directly related to economic development and job creation; and

(f) Providing matching dollars for state or federal grants relating to such long-term projects.

(3) The remaining revenue generated by the tax authorized in this section may be used for, but shall not be limited to, the following:

(a) Marketing;

(b) Providing grants and loans to companies for job training, equipment acquisition, site development, and infrastructures;

(c) Training programs to prepare workers for advanced technologies and high skill jobs;

(d) Legal and accounting expenses directly associated with the economic development planning and preparation process;

(e) Developing value-added and export opportunities for Missouri agricultural products.

11. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other city or county funds.

12. (1) Any city or county imposing the tax authorized in this section shall establish an economic development tax board. The volunteer board shall receive no compensation or operating budget.

(2) The economic development tax board established by a city shall consist of **at least** five members, **but may be increased to nine members. Either a five-member or nine-member board shall be designated in the order or ordinance imposing the sales tax authorized by this section, and are** to be appointed as follows:

(a) One **[**member**] or two members** shall be appointed by the school districts included within any economic development plan or area funded by the sales tax authorized in this section. Such member shall be appointed in any manner agreed upon by the affected districts;

(b) Three **or five** members shall be appointed by the chief elected officer of the city with the consent of the majority of the governing body of the city;

(c) One **[**member**] or two members** shall be appointed by the governing body of the county in which the city is located.

(3) The economic development tax board established by a county shall consist of seven members, to be appointed as follows:

(a) One member shall be appointed by the school districts included within any economic development plan or area funded by the sales tax authorized in this section. Such member shall be appointed in any manner agreed upon by the affected districts;

(b) Four members shall be appointed by the governing body of the county; and

(c) Two members from the cities, towns, or villages within the county appointed in any manner agreed upon by the chief elected officers of the cities or villages.

Of the members initially appointed, three shall be designated to serve for terms of two years, and the remaining members shall be designated to serve for a term of four years from the date of such initial appointments. **If there are nine members initially appointed, the sixth, seventh, eighth, and ninth members shall be designated to serve for terms of two years.** Thereafter, the members appointed shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.

(4) If an economic development tax board established by a city is already in existence on August 28, 2011, any increase in the number of members of the board shall be designated in an order or ordinance. The sixth, seventh, eighth, and ninth members shall be appointed to a term with an expiration coinciding with the expiration of the terms of the three board member positions that were originally appointed to terms of two years. Thereafter, the additional members appointed shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the additional appointments.

13. The board, subject to approval of the governing body of the city or county, shall consider economic development plans, economic development projects, or designations of an economic development area, and shall hold public hearings and provide notice of any such hearings. The board shall vote on all proposed economic development plans, economic development projects, or designations of an economic development area, and amendments thereto, within thirty days following completion of the hearing on any such plan, project, or designation, and shall make recommendations to the governing body within ninety days of the hearing concerning the adoption of or amendment to economic development plans, economic development projects, or designations of an economic development area. The governing body of the city or county shall have the final determination on use and expenditure of any funds received from the tax imposed under this section.

14. The board may consider and recommend using funds received from the tax imposed under this section for plans, projects or area designations outside the boundaries of the city or county imposing the tax if, and only if:

(1) The city or county imposing the tax or the state receives significant economic benefit from the plan, project or area designation; and

(2) The board establishes an agreement with the governing bodies of all cities and counties in which the plan, project or area designation is located detailing the authority and responsibilities of each governing body with regard to the plan, project or area designation.

15. Notwithstanding any other provision of law to the contrary, the economic development sales tax imposed under this section when imposed within a special taxing district, including but not limited to a tax increment financing district, neighborhood improvement district, or community improvement district, shall be excluded from the calculation of revenues available to such districts, and no revenues from any sales tax imposed under this section shall be used for the purposes of any such district unless recommended by the economic development tax board established under this section and approved by the governing body imposing the tax.

16. The board and the governing body of the city or county imposing the tax shall report at least annually to the governing body of the city or county on the use of the funds provided under this section and on the progress of any plan, project, or designation adopted under this section and shall make such report available to the public.

17. Not later than the first day of March each year the board shall submit to the joint committee on economic development a report, not exceeding one page in length, which must include the following information for each project using the tax authorized under this section:

(1) A statement of its primary economic development goals;

(2) A statement of the total economic development sales tax revenues received during the immediately preceding calendar year;

(3) A statement of total expenditures during the preceding calendar year in each of the following categories:

(a) Infrastructure improvements;
(b) Land and or buildings;
(c) Machinery and equipment;
(d) Job training investments;
(e) Direct business incentives;
(f) Marketing;
(g) Administration and legal expenses; and
(h) Other expenditures.

18. The governing body of any city or county that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the city or county. The ballot of submission shall be in substantially the following form:

Shall ..... (insert the name of the city or county) repeal the sales tax imposed at a rate of ..... (insert rate of percent) percent for economic development purposes?

☐ YES ☐ NO

If a majority of the votes cast on the proposal are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters of the city or county, and the repeal is approved by a majority of the qualified voters voting on the question.

19. Whenever the governing body of any city or county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the city or county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

20. If any provision of this section or section 67.1303 or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of this section or section 67.1303 which can be given effect without the invalid provision or application, and to this end the provisions of this section and section 67.1303 are declared severable."; and

Further amend said bill by amending the title, enacting clause, and intersectional reference accordingly.

Representative Scharnhorst raised a point of order that **House Amendment No. 6** goes beyond the scope of the bill.

The Chair ruled the point of order not well taken.

On motion of Representative Ellinger, **House Amendment No. 6** was adopted.

On motion of Representative Gatschenberger, **HB 1455, as amended**, was ordered perfected and printed.

HCS HB 1869, relating to initiative and referendum petitions, was taken up by Representative Dugger.

Representative Hoskins assumed the Chair.

Representative Dugger offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for House Bill No. 1869, Page 2, Section 116.090, Line 2, by inserting after the word "petition" the following:

"**with the intent to alter the outcome**"; and

Further amend said section, Page 2, Line 9, by inserting after the phrase: "both." on said line the following:

"**Nothing in this section shall prohibit a person from signing his or her name to a petition that he or she had previously signed as a sponsoring signatory under section 116.333.**"; and

Further amend said bill, Section 116.115, Page 3, Line 1, by deleting from said line the phrase "**petition to**" and inserting in lieu thereof the phrase "**sample sheet to or files an initiative petition with**"; and

Further amend said section, Page 3, Lines 3-5, by deleting said lines and inserting in lieu thereof the following:

"**secretary of state, the proposed petition shall no longer be circulated by any person, committee, or other entity. The secretary of state shall vacate the certification of the official ballot title within three days of receiving notice of withdrawl.**"; and

Further amend said bill, Section 116.153, Page 4, Line 3, by deleting from said line the phrase: "**an informational public hearing in Jefferson City to take the public testimony of those in support and in opposition to the contents of the petition**" and inserting in lieu thereof the following:

"**a public hearing in Jefferson City to take public comment concerning the proposed measure**"; and

Further amend said bill, Section 116.332, Page 4, Lines 13-18, by deleting all of said lines and inserting in lieu thereof the following:

"**2. Within two days of receipt of any such sample sheet, the secretary of state shall conspicuously post the text of the proposed measure on its website, a disclaimer stating that such text may not constitute the full and correct text as required under section 116.050, and the name of the person or organization submitting the sample sheet. The posting shall be removed within three days of either the withdraw of a petition under section 116.115 or when a petition is rejected for any reason. The secretary of state's failure to comply with this section shall be considered a violation under subsection 3 of section 610.027.**"; and

Further amend said bill, Section 116.333, Page 5, Line 8, by deleting the phrase "**section 116.332**" on said line and inserting in lieu thereof the phrase: "**sections 116.040 and 116.332**"; and

Further amend said section, Page 5, Line 9, by deleting the word "**also**" on said line; and

Further amend said bill, Section 116.334, Page 6, Line 4, by inserting after the phrase "**sample petition**" on said line the following:

"**and make such initial certification and the date of such initial certification**"; and

Further amend said section, Page 6, Lines 6 and 7, by deleting from said lines the phrase "**sample petition is made available on the secretary of state's website**" and inserting in lieu thereof the phrase:

"**petition is initially certified**"; and

Further amend said section, Page 6, Line 9, by enclosing in brackets the word "ten" on said line and inserting immediately thereafter the following:

"**twenty-three**"; and

Further amend said section, Page 6, Line 9, by inserting after the word "**such**" on said line the word:

"**initial**"; and

Further amend said section, Page 6, Line 19, by inserting after all of said line the following:

"**Section B. The provisions of this act are severable. If any provision of this act is found by a court of competent jurisdiction to be unconstitutional, the remaining provisions are valid except to the extent that the court finds the valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the will of the people.**"; and

Further amend said bill by re-designating the lettered sections in accordance with this amendment; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Dugger, **House Amendment No. 1** was adopted.

Representative Cox offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Committee Substitute for House Bill No. 1869, Page 1, Section A, Line 4, by inserting after all of said line the following:

"116.010. As used in this chapter, unless the context otherwise indicates,

(1) "County" means any one of the several counties of this state or the city of St. Louis;

(2) "Election authority" means a county clerk or board of election commissioners, as established by section 115.015;

(3) "General election" means the first Tuesday after the first Monday in November in even-numbered years;

(4) "Official ballot title" means the summary statement**,** and **on statewide ballot measures proposed by the general assembly the** fiscal note summary prepared for all statewide ballot measures in accordance with the provisions of this chapter which shall be placed on the ballot and, when applicable, shall be the petition title for initiative or referendum petitions;

(5) "Statewide ballot measure" means a constitutional amendment submitted by initiative petition, the general assembly or a constitutional convention; a statutory measure submitted by initiative or referendum petition; the question of holding a constitutional convention; and a constitution proposed by a constitutional convention;

(6) "Voter" means a person registered to vote in accordance with section 115.151."; and

Further amend said bill, Page 4, Section 116.153, Line 5, by inserting after all of said section and line the following:

"116.160. 1. **[**If the general assembly adopts a joint resolution proposing a constitutional amendment or a bill without a fiscal note summary, which is to be referred to a vote of the people, after receipt of such resolution or bill the secretary of state shall promptly forward the resolution or bill to the state auditor.**]** If the general assembly adopts a joint resolution proposing a constitutional amendment or a bill without an official summary statement, which is to be referred to a vote of the people, within twenty days after receipt of the resolution or bill, the secretary of state shall prepare and transmit to the attorney general a summary statement of the measure as the proposed summary statement. The secretary of state may seek the advice of the legislator who introduced the constitutional amendment or bill and the speaker of the house or the president pro tem of the legislative chamber that originated the measure. The summary statement may be distinct from the legislative title of the proposed constitutional amendment or bill. The attorney general shall within ten days approve the legal content and form of the proposed statement.

2. The official summary statement shall contain no more than fifty words, excluding articles. The title shall be a true and impartial statement of the purposes of the proposed measure in language neither intentionally argumentative nor likely to create prejudice either for or against the proposed measure.

116.175. 1. **[**Except as provided in section 116.155, upon receipt from the secretary of state's office of any petition sample sheet, joint resolution or bill, the auditor shall assess the fiscal impact of the proposed measure. The state auditor may consult with the state departments, local government entities, the general assembly and others with knowledge pertinent to the cost of the proposal.**]** Proponents or opponents of any proposed measure**, state departments and local government entities** may submit to the **secretary of** state **[**auditor**]** a proposed statement of fiscal impact **[**estimating the cost of the proposal in a manner consistent with the standards of the governmental accounting standards board and section 23.140, provided that all such proposals are received by the state auditor within ten days of his or her receipt of the proposed measure from the secretary of state**]**. **Such statement of fiscal impact shall be filed within twenty days of receipt of the sample sheet by the secretary of state. For purposes of this section, "proponent" shall mean the person submitting the sample sheet with the secretary of state or a committee which has filed a statement of committee organization with the Missouri ethics commission designating it is in favor of the proposed ballot measure pursuant to section 130.021.5(10), as long as such filing has occurred prior to submission of the sample sheet with the secretary of state. For purposes of this section, "opponent" shall mean a person or committee which has filed a statement of committee organization with the Missouri ethics commission designating it is opposed to the proposed ballot measure pursuant to section 130.021.5(10). No person or committee shall submit more than one statement of fiscal impact for each initiative petition.**

2. **The secretary of state shall post statements of fiscal impact received pursuant to this section on the secretary of state's website. However, no more than one statement from one proponent shall be accepted or posted to the website by the secretary of state. [**Within twenty days of receipt of a petition sample sheet, joint resolution or bill from the secretary of state, the state auditor shall prepare a fiscal note and a fiscal note summary for the proposed measure and forward both to the attorney general.**]**

3. The **statement of** fiscal **impact [**note and fiscal note summary**]** shall state the measure's estimated cost or savings, if any, to state or local governmental entities **and to businesses in Missouri**. **[**The fiscal note summary shall contain no more than fifty words, excluding articles, which shall summarize the fiscal note in language neither argumentative nor likely to create prejudice either for or against the proposed measure.**]**

[4. The attorney general shall, within ten days of receipt of the fiscal note and the fiscal note summary, approve the legal content and form of the fiscal note summary prepared by the state auditor and shall forward notice of such approval to the state auditor.

5. If the attorney general or the circuit court of Cole County determines that the fiscal note or the fiscal note summary does not satisfy the requirements of this section, the fiscal note and the fiscal note summary shall be returned to the auditor for revision. A fiscal note or fiscal note summary that does not satisfy the requirements of this section also shall not satisfy the requirements of section 116.180.**]**"; and

Further amend said bill, Page 4, Section 116.180, Line 2, by placing an opening bracket in front of the word "and" and placing a closing bracket behind the word "measure"; and

Further amend said bill, page and section, Line 3, by placing an opening bracket in front of the phrase "in separate"; and

Further amend said bill, page and section, Line 4, by placing a closing bracket behind the phrase "statement of the measure"; and

Further amend said bill, page and section, Line 5, by placing an opening and closing bracket around the phrase "and the fiscal note"; and

Further amend said bill, page and section, Line 12, by inserting after all of said section and line the following:

"116.190. 1. Any citizen who wishes to challenge the official ballot title or the fiscal note prepared for a proposed constitutional amendment **or statutory referendum** submitted by the general assembly**[**,**]** **or the official ballot title prepared for a constitutional amendment submitted** by initiative petition, or by constitutional convention, or for a statutory initiative **[**or referendum measure**]**, may bring an action in the circuit court of Cole County. The action must be brought within ten days after the official ballot title is certified by the secretary of state in accordance with the provisions of this chapter.

2. The secretary of state shall be named as a party defendant in any action challenging the official ballot title prepared by the secretary of state. **[**When the action challenges the fiscal note or the fiscal note summary prepared by the auditor, the state auditor shall also be named as a party defendant.**]** The president pro tem of the senate, the speaker

of the house and the sponsor of the measure and the secretary of state shall be the named party defendants in any action challenging the official summary statement, fiscal note or fiscal note summary prepared pursuant to section 116.155. **"Proponents" as defined in section 116.175 have the right to intervene as party defendants in any suit filed under this section.**

3. The petition shall state the reason or reasons why the summary statement portion of the official ballot title is insufficient or unfair and shall request a different summary statement portion of the official ballot title. **[**Alternatively,**]** **Additionally, in the case of a constitutional amendment or statutory referendum submitted by the General Assembly,** the petition shall state the reasons why the fiscal note or the fiscal note summary portion of the official ballot title is insufficient or unfair and shall request a different fiscal note or fiscal note summary portion of the official ballot title.

4. The action shall be placed at the top of the civil docket. Insofar as the action challenges the summary statement portion of the official ballot title, the court shall consider the petition, hear arguments, and in its decision certify the summary statement portion of the official ballot title to the secretary of state. Insofar as the action challenges the fiscal note or the fiscal note summary portion of the official ballot title **of a constitutional amendment or statutory referendum submitted by the general assembly**, the court shall consider the petition, hear arguments, and in its decision, either certify the fiscal note or the fiscal note summary portion of the official ballot title to the secretary of state or remand the fiscal note or the fiscal note summary to the **oversight division of the committee on legislative research [**auditor**]** for preparation of a new fiscal note or fiscal note summary pursuant to the procedures set forth in section **116.155 [**116.175**]**. Any party to the suit may appeal to the supreme court within ten days after a circuit court decision. In making the legal notice to election authorities under section 116.240, and for the purposes of section 116.180, the secretary of state shall certify the language which the court certifies to him.

5. Any person bringing an action pursuant to this section shall take all necessary actions to have such action presented for dispositive resolution within 120 days of filing of such action. Such action shall be dismissed with prejudice for failure to prosecute unless the circuit court of Cole County enters an order expressly stating that the sole cause for delay was the court's unavailability. Any person whose action is dismissed for failure to prosecute pursuant to this section shall be assessed all costs of defense, including attorney fees incurred in defending such action."; and

Further amend said bill, Page 6, Section 116.334, Lines 5-6, by deleting the following phrase:

"**and refer a copy of the sample petition to the state auditor for purposes of preparing a fiscal note and fiscal note summary**"; and

Further amend said bill, Page 7, Section B, Line 5, by inserting after all of said section and line the following:

"**[**116.170. If the general assembly adopts a joint resolution proposing a constitutional amendment or a bill without a fiscal note summary, which is to be referred to a vote of the people, the state auditor shall, within thirty days of delivery to the auditor, prepare and file with the secretary of state a fiscal note and a fiscal note summary for the proposed measure in accordance with the provisions of section 116.175.**]**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Jones (89) moved the previous question.

Which motion was adopted by the following vote:

AYES: 092

Allen	Asbury	Bahr	Barnes	Bernskoetter
Berry	Brandom	Brattin	Brown 85	Brown 116
Burlison	Cauthorn	Cierpiot	Conway 14	Cookson
Cox	Crawford	Cross	Curtman	Davis
Day	Denison	Dieckhaus	Diehl	Dugger
Elmer	Entlicher	Fisher	Fitzwater	Flanigan
Fraker	Franklin	Franz	Frederick	Fuhr

Gosen	Grisamore	Hampton	Higdon	Hinson
Hoskins	Hough	Houghton	Johnson	Jones 89
Jones 117	Keeney	Kelley 126	Klippenstein	Koenig
Korman	Lair	Lant	Largent	Lasater
Leach	Lichtenegger	Loehner	Long	Marshall
McNary	Molendorp	Nance	Neth	Phillips
Pollock	Redmon	Reiboldt	Riddle	Rowland
Ruzicka	Schad	Scharnhorst	Schatz	Schieber
Schoeller	Shumake	Silvey	Smith 150	Solon
Sommer	Stream	Thomson	Torpey	Wallingford
Wells	Weter	White	Wieland	Wright
Wyatt	Mr Speaker			

NOES: 052

Anders	Atkins	Aull	Black	Brown 50
Carlson	Carter	Casey	Colona	Conway 27
Ellinger	Ellington	Fallert	Harris	Hodges
Holsman	Hubbard	Hummel	Jones 63	Kander
Kelly 24	Kirkton	Kratky	Lampe	May
McCann Beatty	McCreery	McDonald	McGeoghegan	McManus
McNeil	Montecillo	Morgan	Nasheed	Newman
Nichols	Oxford	Pace	Pierson	Quinn
Rizzo	Schieffer	Schupp	Shively	Sifton
Smith 71	Spreng	Still	Swearingen	Taylor
Walton Gray	Webb			

PRESENT: 000

ABSENT WITH LEAVE: 019

Funderburk	Gatschenberger	Guernsey	Haefner	Hughes
Lauer	Leara	McCaherty	McGhee	Meadows
Nolte	Parkinson	Richardson	Sater	Schneider
Swinger	Talboy	Webber	Zerr	

On motion of Representative Cox, **House Amendment No. 2** was adopted.

Representative Jones (89) moved the previous question.

Which motion was adopted by the following vote:

AYES: 091

Allen	Asbury	Bahr	Barnes	Bernskoetter
Berry	Brandom	Brattin	Brown 85	Brown 116
Burlison	Cauthorn	Cierpiot	Cookson	Cox
Crawford	Cross	Curtman	Davis	Day
Denison	Dieckhaus	Diehl	Dugger	Elmer
Entlicher	Fisher	Fitzwater	Flanigan	Fraker
Franklin	Franz	Frederick	Fuhr	Gosen
Grisamore	Haefner	Hampton	Higdon	Hinson
Hoskins	Hough	Houghton	Johnson	Jones 89
Jones 117	Keeney	Kelley 126	Klippenstein	Koenig
Korman	Lair	Lant	Largent	Lasater
Leach	Lichtenegger	Loehner	Marshall	McCaherty

McNary	Molendorp	Nance	Neth	Parkinson
Phillips	Pollock	Redmon	Reiboldt	Riddle
Rowland	Ruzicka	Schad	Scharnhorst	Schatz
Schieber	Schneider	Schoeller	Shumake	Silvey
Smith 150	Solon	Sommer	Stream	Torpey
Wallingford	Wells	Weter	White	Wieland
Wyatt				

NOES: 052

Atkins	Aull	Black	Brown 50	Carlson
Carter	Casey	Colona	Conway 27	Ellinger
Ellington	Fallert	Harris	Hodges	Holsman
Hubbard	Hughes	Hummel	Jones 63	Kander
Kelly 24	Kirkton	Kratky	Lampe	May
McCann Beatty	McCreery	McDonald	McGeoghegan	McManus
McNeil	Montecillo	Morgan	Nasheed	Newman
Nichols	Oxford	Pace	Pierson	Quinn
Rizzo	Schieffer	Schupp	Shively	Sifton
Smith 71	Spreng	Still	Swearingen	Taylor
Walton Gray	Webb			

PRESENT: 000

ABSENT WITH LEAVE: 020

Anders	Conway 14	Funderburk	Gatschenberger	Guernsey
Lauer	Leara	Long	McGhee	Meadows
Nolte	Richardson	Sater	Swinger	Talboy
Thomson	Webber	Wright	Zerr	Mr Speaker

On motion of Representative Dugger, **HCS HB 1869, as amended**, was adopted.

On motion of Representative Dugger, **HCS HB 1869, as amended**, was ordered perfected and printed.

On motion of Representative Jones (89), the House recessed until 2:00 p.m.

AFTERNOON SESSION

The hour of recess having expired, the House was called to order by Speaker Tilley.

HOUSE COURTESY RESOLUTIONS OFFERED AND ISSUED

House Resolution No. 2510 through House Resolution No. 2566

HOUSE CONCURRENT RESOLUTION

Representative Schatz, et al., offered House Concurrent Resolution No. 59.

PERFECTION OF HOUSE BILLS

HB 1540, relating to workers' compensation, was taken up by Representative Jones (89).

Representative Jones (89) offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Bill No. 1540, Section 287.120, Page 1, Lines 4-8, by deleting all of said lines and inserting in lieu thereof the following:

"employee's employment**[**, and**]. Any employee of such employer shall not be liable for any injury or death for which compensation is recoverable under this chapter and every employer and employees of such employer** shall be released from all other liability whatsoever, whether to the employee or any other person**, except that an employee shall not be released from liability for injury or death if the employee engaged in an affirmative negligent act that purposefully and dangerously caused or increased the risk of injury**. The term "accident" as used in this section shall"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Jones (89), **House Amendment No. 1** was adopted.

On motion of Representative Jones (89), **HB 1540, as amended**, was ordered perfected and printed.

HCS HB 1865, relating to economic development incentives, was taken up by Representative Barnes.

Representative Kelly (24) offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for House Bill No. 1865, Page 2, Section 620.008, Line 2, by deleting the words "**criminal and**" before the word "**financial**"; and

Further amend said bill, Page 3, Section 2, Lines 4 through 8, by deleting all of said lines and inserting the words "**section 536.028.**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Kelly (24), **House Amendment No. 1** was adopted.

Representative Solon offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Committee Substitute for House Bill No. 1865, Page 2, Section 67.095, Line 31, by inserting after all of said section, the following:

"67.463. 1. At the hearing to consider the proposed improvements and assessments, the governing body shall hear and pass upon all objections to the proposed improvements and proposed assessments, if any, and may amend the proposed improvements, and the plans and specifications therefor, or assessments as to any property, and thereupon by

ordinance or resolution the governing body of the city or county shall order that the improvement be made and direct that financing for the cost thereof be obtained as provided in sections 67.453 to 67.475.

2. After construction of the improvement has been completed in accordance with the plans and specifications therefor, the governing body shall compute the final costs of the improvement and apportion the costs among the property benefitted by such improvement in such equitable manner as the governing body shall determine, charging each parcel of property with its proportionate share of the costs, and by resolution or ordinance, assess the final cost of the improvement or the amount of general obligation bonds issued or to be issued therefor as special assessments against the property described in the assessment roll.

3. After the passage or adoption of the ordinance or resolution assessing the special assessments, the city clerk or county clerk shall mail a notice to each property owner within the district which sets forth a description of each parcel of real property to be assessed which is owned by such owner, the special assessment assigned to such property, and a statement that the property owner may pay such assessment in full, together with interest accrued thereon from the effective date of such ordinance or resolution, on or before a specified date determined by the effective date of the ordinance or resolution, or may pay such assessment in annual installments as provided in subsection 4 of this section.

4. The special assessments shall be assessed upon the property included therein concurrent with general property taxes, and shall be payable in substantially equal annual installments for a duration stated in the ballot measure prescribed in subsection 2 of section 67.457 or in the petition prescribed in subsection 3 of section 67.457, and, if authorized, an assessment in each year thereafter levied and collected in the same manner with the proceeds thereof used solely for maintenance of the improvement, taking into account such assessments and interest thereon, as the governing body determines. The first installment shall be payable after the first collection of general property taxes following the adoption of the assessment ordinance or resolution unless such ordinance or resolution was adopted and certified too late to permit its collection at such time. All assessments shall bear interest at such rate as the governing body determines, not to exceed the rate permitted for bonds by section 108.170. Interest on the assessment between the effective date of the ordinance or resolution assessing the assessment and the date the first installment is payable shall be added to the first installment. The interest for one year on all unpaid installments shall be added to each subsequent installment until paid. In the case of a special assessment by a city, all of the installments, together with the interest accrued or to accrue thereon, may be certified by the city clerk to the county clerk in one instrument at the same time. Such certification shall be good for all of the installments, and the interest thereon payable as special assessments.

5. Special assessments shall be collected and paid over to the city treasurer or county treasurer in the same manner as taxes of the city or county are collected and paid. In any county **not having a township organization [**of the first classification with more than one hundred thirty-five thousand four hundred but fewer than one hundred thirty-five thousand five hundred inhabitants**]**, the county collector may collect a fee as prescribed by section 52.260 for collection of assessments under this section.

67.469. A special assessment authorized under the provisions of sections 67.453 to 67.475 shall be a lien, from the date of the assessment, on the property against which it is assessed on behalf of the city or county assessing the same to the same extent as a tax upon real property. The lien may be foreclosed in the same manner as a tax upon real property by land tax sale pursuant to chapter 140 or**, if applicable to that county, chapter 141, or, [**by judicial foreclosure proceeding,**]** at the option of the governing body**, by judicial foreclosure proceeding**. Upon the foreclosure of any such lien, whether by land tax sale or by judicial foreclosure proceeding, the entire remaining assessment may become due and payable and may be recoverable in such foreclosure proceeding at the option of the governing body."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Leara offered **House Amendment No. 1 to House Amendment No. 2**.

House Amendment No. 1
to
House Amendment No. 2

AMEND House Amendment No. 2 to House Committee Substitute for House Bill No. 1865, Page 2, Line 15, by deleting the words, "**not having a township organization**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Leara, **House Amendment No. 1 to House Amendment No. 2** was adopted by the following vote:

AYES: 139

Allen	Anders	Asbury	Atkins	Aull
Bahr	Barnes	Bernskoetter	Berry	Black
Brandom	Brattin	Brown 85	Burlison	Carlson
Casey	Cauthorn	Cierpiot	Colona	Conway 14
Conway 27	Cox	Crawford	Cross	Curtman
Davis	Denison	Dieckhaus	Dugger	Ellinger
Ellington	Elmer	Entlicher	Fallert	Fisher
Fitzwater	Flanigan	Fraker	Franklin	Franz
Frederick	Fuhr	Gatschenberger	Gosen	Guernsey
Haefner	Hampton	Harris	Higdon	Hinson
Hodges	Hoskins	Hough	Houghton	Hubbard
Hummel	Johnson	Jones 63	Jones 89	Jones 117
Keeney	Kelley 126	Kelly 24	Kirkton	Klippenstein
Koenig	Korman	Kratky	Lair	Lant
Largent	Lasater	Leach	Leara	Lichtenegger
Loehner	Long	Marshall	May	McCaherty
McCann Beatty	McCreery	McGeoghegan	McGhee	McNary
Molendorp	Montecillo	Morgan	Nance	Neth
Newman	Nichols	Nolte	Oxford	Pace
Parkinson	Phillips	Pierson	Pollock	Quinn
Redmon	Reiboldt	Richardson	Riddle	Rizzo
Rowland	Ruzicka	Schad	Scharnhorst	Schatz
Schieber	Schieffer	Schneider	Schoeller	Schupp
Shively	Shumake	Sifton	Smith 71	Smith 150
Solon	Sommer	Spreng	Stream	Swearingen
Swinger	Taylor	Thomson	Torpey	Walton Gray
Webb	Wells	Weter	White	Wieland
Wright	Wyatt	Zerr	Mr Speaker	

NOES: 001

Wallingford

PRESENT: 001

McNeil

ABSENT WITH LEAVE: 022

Brown 50	Brown 116	Carter	Cookson	Day
Diehl	Funderburk	Grisamore	Holsman	Hughes
Kander	Lampe	Lauer	McDonald	McManus
Meadows	Nasheed	Sater	Silvey	Still
Talboy	Webber			

On motion of Representative Solon, **House Amendment No. 2, as amended**, was adopted.

Representative Barnes offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Committee Substitute for House Bill No. 1865, Page 2, Section 620.007, Lines 1 to 6, and Section 620.008, Lines 1 to 5, by deleting all of said lines and inserting in lieu thereof the following:

"**620.007. The department of economic development shall require start-up companies that apply for economic development incentives, where the incentive is provided up-front, to provide verification of financial information when an application for such incentives is submitted to the department. In complying with this section, the department shall define "start-up company".**"; and

Further amend said bill, Page 2, Section 620.009, Line 2, by inserting at the end of said line the word "**adverse**"; and

Further amend said bill, Page 2, Section 620.009, Line 9, by deleting the word "**negative**" and inserting in lieu thereof the word "**adverse**"; and

Further amend said bill, Page 3, Section 620.009, Line 19, by inserting after all of said line the following:

"**5. In complying with the provisions of this section, no person or entity shall be required to violate terms of another nondisclosure agreement related to the project, except that the department of economic development shall not enter into a nondisclosure agreement that forbids sharing of adverse information under this section.**"; and

Further amend said bill, Page 3, Section 620.019, Line 1, by deleting the words "**five-star**" and inserting in lieu thereof the word "**rating**"; and

Further amend said bill, Page 3, Section 620.019, Line 2, by inserting after the word "**for**" the word "**discretionary**"; and

Further amend said bill, Page 3, Section 1, Lines 1 to 7, by deleting all of said lines and inserting in lieu thereof the following:

"**Section 1. The department of economic development shall include a conflict of interest policy in all new consulting contracts for trade offices located in foreign countries.**"; and

Further amend said bill, Page 3, Section 2, Lines 1 to 8, by deleting all of said lines; and

Further amend said title, enacting clause and intersectional references accordingly.

Representative Long offered **House Amendment No. 1 to House Amendment No. 3**.

House Amendment No. 1
to
House Amendment No. 3

AMEND House Amendment No. 3 to House Committee Substitute for House Bill No. 1865, Page 1, Lines 1 through 11, by deleting all of said lines and inserting in lieu thereof the following:

'AMEND House Committee Substitute for House Bill No. 1865, Page 2, Section 67.095, Lines 22 and 23, by deleting the words, "**with a population over three hundred thousand**"; and

Further amend said bill, Page 2, Section 620.007, Lines 1 to 6, and Section 620.008, Lines 1 to 5, by deleting all of said lines"; and'; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Long moved that **House Amendment No. 1 to House Amendment No. 3** be adopted.

Which motion was defeated by the following vote:

AYES: 040

Allen	Asbury	Brown 116	Burlison	Cierpiot
Cookson	Crawford	Denison	Dugger	Elmer
Entlicher	Fisher	Fraker	Franklin	Franz
Gatschenberger	Higdon	Hinson	Hough	Kander
Kelley 126	Kirkton	Korman	Lant	Leach
Loehner	Long	McGhee	McNary	Nance
Neth	Nolte	Phillips	Pollock	Reiboldt
Ruzicka	Schoeller	Stream	Wells	Wright

NOES: 103

Anders	Atkins	Aull	Bahr	Barnes
Bernskoetter	Berry	Black	Brandom	Brattin
Brown 85	Carlson	Casey	Cauthorn	Colona
Conway 14	Conway 27	Cox	Cross	Curtman
Davis	Ellinger	Ellington	Fallert	Fitzwater
Flanigan	Frederick	Fuhr	Gosen	Guernsey
Haefner	Hampton	Harris	Hodges	Hoskins
Houghton	Hubbard	Hughes	Hummel	Johnson
Jones 63	Jones 89	Jones 117	Keeney	Kelly 24
Klippenstein	Koenig	Kratky	Lair	Largent
Lasater	Leara	Lichtenegger	Marshall	May
McCaherty	McCann Beatty	McCreery	McGeoghegan	McManus
McNeil	Montecillo	Morgan	Newman	Nichols
Oxford	Pace	Parkinson	Pierson	Quinn
Redmon	Richardson	Riddle	Rizzo	Rowland
Schad	Scharnhorst	Schatz	Schieber	Schneider
Schupp	Shively	Shumake	Sifton	Smith 71
Smith 150	Solon	Sommer	Spreng	Still
Swearingen	Swinger	Taylor	Thomson	Torpey
Wallingford	Walton Gray	Webb	White	Wieland
Wyatt	Zerr	Mr Speaker		

PRESENT: 000

ABSENT WITH LEAVE: 020

Brown 50	Carter	Day	Dieckhaus	Diehl
Funderburk	Grisamore	Holsman	Lampe	Lauer
McDonald	Meadows	Molendorp	Nasheed	Sater
Schieffer	Silvey	Talboy	Webber	Weter

Representative Hoskins offered **House Amendment No. 2 to House Amendment No. 3**.

House Amendment No. 2
to
House Amendment No. 3

AMEND House Amendment No. 3 to House Committee Substitute for House Bill No. 1865, Page 1, Line 12 though 24, by deleting all of said lines and inserting in lieu thereof the following:

'Further amend said bill, Page 2, Section 620.009, Line 2, by inserting at the end of said line the word "**adverse, favorable and neutral**"; and

Further amend said bill, Page 2, Section 620.009, Line 9, by deleting the word "**negative**" and inserting in lieu thereof the word "**adverse, favorable and neutral**"; and

Further amend said bill, Page 3, Section 620.009, Line 19, by inserting after all of said line the following:

"**5. In complying with the provisions of this section, no person or entity shall be required to violate terms of another nondisclosure agreement related to the project, except that the department of economic development shall not enter into a nondisclosure agreement that forbids sharing of adverse, favorable and neutral information under this section.**"; and'; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Hoskins moved that **House Amendment No. 2 to House Amendment No. 3** be adopted.

Which motion was defeated.

On motion of Representative Barnes, **House Amendment No. 3** was adopted.

Representative Nolte offered **House Amendment No. 4**.

House Amendment No. 4 was withdrawn.

Representative Solon offered **House Amendment No. 5**.

House Amendment No. 5

AMEND House Committee Substitute for House Bill No. 1865, Page 2, Section 67.095, Lines 22 and 23, by deleting all of said lines and inserting in lieu thereof the following:

"**5. This section shall not apply to a political subdivision with a population greater than three hundred thousand according to the latest decennial census that, pursuant to either a charter or other ballot measure approved by**"; and

Further amend said title, enacting clause and intersectional references accordingly.

Speaker Pro Tem Schoeller assumed the Chair.

On motion of Representative Solon, **House Amendment No. 5** was adopted.

Representative Ellinger offered **House Amendment No. 6**.

House Amendment No. 6

AMEND House Committee Substitute for House Bill No. 1865, Page 2, Section 67.095, Line 31, by inserting after all of said line the following:

"67.1305. 1. As used in this section, the term "city" shall mean any incorporated city, town, or village.

2. In lieu of the sales taxes authorized under sections 67.1300 and 67.1303, the governing body of any city or county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city or county submits to the voters of the city or county at any citywide, county or state general, primary or special election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The tax authorized in this section shall not be imposed by any city or county that has imposed a tax under section 67.1300 or 67.1303 unless the tax imposed under those sections has expired or been repealed.

3. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall ..... (insert the name of the city or county) impose a sales tax at a rate of ..... (insert rate of percent) percent for economic development purposes?

☐ YES ☐ NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question, provided that no proposal shall be resubmitted to the voters sooner than twelve months from the date of the submission of the last proposal.

4. All sales taxes collected by the director of revenue under this section on behalf of any county or municipality, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which is hereby created, to be known as the "Local Option Economic Development Sales Tax Trust Fund".

5. The moneys in the local option economic development sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund and which was collected in each city or county imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the city or county and the public.

6. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the city or county which levied the tax. Such funds shall be deposited with the county treasurer of each such county or the appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising from the local economic development sales tax trust fund shall be in accordance with this section.

7. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities and counties.

8. If any county or municipality abolishes the tax, the city or county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such city or county, the director of revenue shall remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

9. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed pursuant to this section.

10. (1) No revenue generated by the tax authorized in this section shall be used for any retail development project, except for the redevelopment of downtown areas and historic districts. Not more than twenty-five percent of the revenue generated shall be used annually for administrative purposes, including staff and facility costs.

(2) At least twenty percent of the revenue generated by the tax authorized in this section shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:

(a) Acquisition of land;

(b) Installation of infrastructure for industrial or business parks;

(c) Improvement of water and wastewater treatment capacity;

(d) Extension of streets;

(e) Public facilities directly related to economic development and job creation; and

(f) Providing matching dollars for state or federal grants relating to such long-term projects.

(3) The remaining revenue generated by the tax authorized in this section may be used for, but shall not be limited to, the following:

(a) Marketing;

(b) Providing grants and loans to companies for job training, equipment acquisition, site development, and infrastructures;

(c) Training programs to prepare workers for advanced technologies and high skill jobs;

(d) Legal and accounting expenses directly associated with the economic development planning and preparation process;

(e) Developing value-added and export opportunities for Missouri agricultural products.

11. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other city or county funds.

12. (1) Any city or county imposing the tax authorized in this section shall establish an economic development tax board. The volunteer board shall receive no compensation or operating budget.

(2) The economic development tax board established by a city shall consist of **at least** five members, **but may be increased to nine members. Either a five-member or nine-member board shall be designated in the order or ordinance imposing the sales tax authorized by this section, and are** to be appointed as follows:

(a) One **[**member**] or two members** shall be appointed by the school districts included within any economic development plan or area funded by the sales tax authorized in this section. Such member shall be appointed in any manner agreed upon by the affected districts;

(b) Three **or five** members shall be appointed by the chief elected officer of the city with the consent of the majority of the governing body of the city;

(c) One **[**member**] or two members** shall be appointed by the governing body of the county in which the city is located.

(3) The economic development tax board established by a county shall consist of seven members, to be appointed as follows:

(a) One member shall be appointed by the school districts included within any economic development plan or area funded by the sales tax authorized in this section. Such member shall be appointed in any manner agreed upon by the affected districts;

(b) Four members shall be appointed by the governing body of the county; and

(c) Two members from the cities, towns, or villages within the county appointed in any manner agreed upon by the chief elected officers of the cities or villages.

Of the members initially appointed, three shall be designated to serve for terms of two years, and the remaining members shall be designated to serve for a term of four years from the date of such initial appointments. **If there are nine members initially appointed, the sixth, seventh, eighth, and ninth members shall be designated to serve for terms of two years.** Thereafter, the members appointed shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.

(4) If an economic development tax board established by a city is already in existence on August 28, 2011, any increase in the number of members of the board shall be designated in an order or ordinance. The sixth, seventh, eighth, and ninth members shall be appointed to a term with an expiration coinciding with the expiration of the terms of the three board member positions that were originally appointed to terms of two years. Thereafter, the additional members appointed shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the additional appointments.

13. The board, subject to approval of the governing body of the city or county, shall consider economic development plans, economic development projects, or designations of an economic development area, and shall hold

public hearings and provide notice of any such hearings. The board shall vote on all proposed economic development plans, economic development projects, or designations of an economic development area, and amendments thereto, within thirty days following completion of the hearing on any such plan, project, or designation, and shall make recommendations to the governing body within ninety days of the hearing concerning the adoption of or amendment to economic development plans, economic development projects, or designations of an economic development area. The governing body of the city or county shall have the final determination on use and expenditure of any funds received from the tax imposed under this section.

14. The board may consider and recommend using funds received from the tax imposed under this section for plans, projects or area designations outside the boundaries of the city or county imposing the tax if, and only if:

(1) The city or county imposing the tax or the state receives significant economic benefit from the plan, project or area designation; and

(2) The board establishes an agreement with the governing bodies of all cities and counties in which the plan, project or area designation is located detailing the authority and responsibilities of each governing body with regard to the plan, project or area designation.

15. Notwithstanding any other provision of law to the contrary, the economic development sales tax imposed under this section when imposed within a special taxing district, including but not limited to a tax increment financing district, neighborhood improvement district, or community improvement district, shall be excluded from the calculation of revenues available to such districts, and no revenues from any sales tax imposed under this section shall be used for the purposes of any such district unless recommended by the economic development tax board established under this section and approved by the governing body imposing the tax.

16. The board and the governing body of the city or county imposing the tax shall report at least annually to the governing body of the city or county on the use of the funds provided under this section and on the progress of any plan, project, or designation adopted under this section and shall make such report available to the public.

17. Not later than the first day of March each year the board shall submit to the joint committee on economic development a report, not exceeding one page in length, which must include the following information for each project using the tax authorized under this section:

(1) A statement of its primary economic development goals;

(2) A statement of the total economic development sales tax revenues received during the immediately preceding calendar year;

(3) A statement of total expenditures during the preceding calendar year in each of the following categories:

(a) Infrastructure improvements;

(b) Land and or buildings;

(c) Machinery and equipment;

(d) Job training investments;

(e) Direct business incentives;

(f) Marketing;

(g) Administration and legal expenses; and

(h) Other expenditures.

18. The governing body of any city or county that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the city or county. The ballot of submission shall be in substantially the following form:

Shall ..... (insert the name of the city or county) repeal the sales tax imposed at a rate of ..... (insert rate of percent) percent for economic development purposes?

☐ YES ☐ NO

If a majority of the votes cast on the proposal are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters of the city or county, and the repeal is approved by a majority of the qualified voters voting on the question.

19. Whenever the governing body of any city or county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the city or county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed

to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

20. If any provision of this section or section 67.1303 or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of this section or section 67.1303 which can be given effect without the invalid provision or application, and to this end the provisions of this section and section 67.1303 are declared severable."; and

Further amend said bill by amending the title, enacting clause, and intersectional reference accordingly.

On motion of Representative Ellinger, **House Amendment No. 6** was adopted.

On motion of Representative Barnes, **HCS HB 1865, as amended**, was adopted by the following vote:

AYES: 101

Allen	Aull	Bahr	Barnes	Bernskoetter
Berry	Black	Brandom	Brattin	Brown 50
Brown 85	Brown 116	Burlison	Casey	Cauthorn
Cierpiot	Conway 14	Conway 27	Cox	Crawford
Cross	Curtman	Davis	Dieckhaus	Ellinger
Elmer	Fallert	Fisher	Fitzwater	Flanigan
Frederick	Fuhr	Gosen	Grisamore	Guernsey
Haefner	Harris	Higdon	Hodges	Holsman
Hughes	Johnson	Jones 89	Jones 117	Kander
Keeney	Kelley 126	Kelly 24	Kirkton	Koenig
Lair	Lampe	Lant	Largent	Lasater
Leach	Leara	Loehner	Marshall	McCaherty
McCreery	McNary	McNeil	Nance	Nasheed
Neth	Nichols	Nolte	Oxford	Parkinson
Pierson	Quinn	Richardson	Riddle	Rowland
Schad	Scharnhorst	Schatz	Schieber	Schneider
Schoeller	Shively	Shumake	Sifton	Silvey
Smith 71	Smith 150	Solon	Sommer	Still
Stream	Swinger	Taylor	Thomson	Torpey
Weter	White	Wieland	Wright	Wyatt
Mr Speaker				

NOES: 051

Anders	Asbury	Atkins	Carlson	Carter
Colona	Cookson	Denison	Dugger	Ellington
Entlicher	Fraker	Franklin	Gatschenberger	Hampton
Hinson	Hoskins	Hough	Houghton	Hubbard
Hummel	Jones 63	Klippenstein	Korman	Kratky
Lichtenegger	Long	May	McCann Beatty	McDonald
McGeoghegan	McManus	Molendorp	Montecillo	Morgan
Newman	Pace	Phillips	Pollock	Redmon
Rizzo	Ruzicka	Schieffer	Schupp	Spreng
Swearingen	Wallingford	Walton Gray	Webb	Wells
Zerr				

PRESENT: 000

ABSENT WITH LEAVE: 011

Day	Diehl	Franz	Funderburk	Lauer
McGhee	Meadows	Reiboldt	Sater	Talboy
Webber				

On motion of Representative Barnes, **HCS HB 1865, as amended**, was ordered perfected and printed.

HCS HB 1966, relating to records of activity as evidence, was taken up by Representative Burlison.

HCS HB 1966 was laid over.

HCS HB 1254, relating to agriculture, was taken up by Representative Klippenstein.

Representative Klippenstein offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for House Bill No. 1254, Page 9, Section 262.750, Line 8, by inserting after all of said section and line the following:

"**262.795. Any law to the contrary notwithstanding, a child, as defined in subdivision (1) of section 294.011, may perform agriculture work, as defined in subdivision (1) of section 290.500, on a farm owned and operated by the child's parent, sibling, grandparent or sibling of a parent or, if performed by the child with the knowledge and consent of the child's parent, on any family farm, as defined in subdivision (4) of section 350.010, or on any family farm corporation, as defined in subdivision (5) of section 350.010, including work that would otherwise be prohibited by subdivisions (1), (2), (3), (7), and (12) of section 294.040; but no such child shall be permitted to engage in any other activities prohibited by section 294.040. The term "parent", as used in this section, shall have the same meaning as in subdivision (8) of section 294.011. Children engaged in work permitted by this section may do so without obtaining a work certificate as required by section 294.024. Children engaged in work permitted by this section are not subject to the limitations set out in section 294.030 and subsection 4 of section 294.045.**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Klippenstein, **House Amendment No. 1** was adopted.

Representative Johnson offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Committee Substitute for House Bill No. 1254, Pages 9-10, Section 262.975, Lines 1-43, by deleting all of said lines and inserting in lieu thereof the following:

"**262.975. 1. The department of agriculture shall build and maintain, by contract or otherwise, a Missouri international agricultural exchange website with search engine optimization technology. Such website shall contain content licensed by the department to promote Missouri agricultural products to international agricultural buyers.**

2. The exchange shall be a website to post Missouri-based agricultural products to the producer to assist in marketing such products to international buyers. All sellers shall be required to register through the

department and provide a Missouri address. Only agricultural products produced in this state shall be allowed on the exchange website.

3. The state of Missouri retains ownership of all content on the exchange. The department or a website developer, if contracted, is authorized to:

(1) Use all informational content approved by the department of agriculture, and apply search engine optimization to the website content to achieve a high search engine ranking; and

(2) Sell advertising on the exchange website to any entity that will benefit from marketing to international agriculture producers and buyers. If contracted, the website developer shall be solely responsible for all costs associated with the development, marketing, and maintenance of the exchange website, with the website developer retaining all advertising revenues obtained from such exchange website to provide the financing for such exchange website.

4. If contacted, the website developer shall:

(1) Have proven experience and expertise in search engine optimization, as determined by the department;

(2) Demonstrate prior experience with website development projects which increased search engine rankings for the client.

5. If contracted, the department of agriculture, in consultation with the department of economic development, shall review all applications and award a contract for the development, design, marketing, and maintenance of the exchange website, with renewals for continuing upgrades, marketing, and maintenance of the website. The department shall have the authority to terminate any contract under this section at the department's discretion. Any website developer under contract with the department may have a contract terminated for failure to operate under the department's guidelines for the exchange website. If a contract is terminated, the department shall award a new contract in accordance with the procedures for awarding the initial contract under this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Johnson, **House Amendment No. 2** was adopted.

Representative Quinn offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Committee Substitute for House Bill No. 1254, Page 5, Section 262.005, Line 1, by inserting after the number "**262.005.**" the number "**1.**"; and

Further amend said bill, page, and section, Line 5, by inserting after all of said line the following:

"**2. Nothing in this section shall be construed or interpreted to limit the authority of the department of agriculture or the state veterinarian to carry out the department's statutory and regulatory responsibilities and functions as currently and hereafter provided under Chapters 261 to 281, Chapter 350 and Chapters 411 to 414 and all rules and regulations promulgated thereunder.**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Quinn, **House Amendment No. 3** was adopted.

Representative Ruzicka offered **House Amendment No. 4**.

House Amendment No. 4

AMEND House Committee Substitute for House Bill No. 1254, Page 20, Section 537.850, Lines 22-23, by deleting the words "**conducted with ordinary care by a registered agritourism operator**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Ruzicka, **House Amendment No. 4** was adopted.

Representative Schieffer offered **House Amendment No. 5**.

House Amendment No. 5

AMEND House Committee Substitute for House Bill No. 1254, Page 5, Section 262.257, Line 1, by inserting after the word "**all**" the word "**qualified**"; and

Further amend said bill, Page 25, Section 2, Line 3, by inserting after the word "**all**" the word "**qualified**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Schieffer, **House Amendment No. 5** was adopted.

Representative Holsman offered **House Amendment No. 6**.

House Amendment No. 6

AMEND House Committee Substitute for House Bill No. 1254, Page 9, Section 262.750, Line 8, by inserting after all of said line the following:

"**262.900. 1. As used in this section, the following terms mean:**

(1) "Agricultural products", an agricultural, horticultural, viticultural, or vegetable product, growing of grapes that will be processed into wine, bees, honey, fish or other aquacultural product, planting seed, livestock, a livestock product, a forestry product, poultry or a poultry product, either in its natural or processed state, that has been produced, processed, or otherwise had value added to it in this state;

(2) "Blighted area", that portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes;

(3) "Domesticated animal", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, or horses, other equines, or rabbits raised in confinement for human consumption;

(4) "Grower UAZ", a type of UAZ:

(a) That can either grow produce, raise livestock, or produce other value added agricultural products;

(b) That does not exceed fifty laying hens, six hundred fifty broiler chickens, or thirty domesticated animals;

(5) "Livestock", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, or horses, other equines, or rabbits raised in confinement for human consumption;

(6) "Locally grown", a product that was grown or raised in the same county as the UAZ or in an adjoining county. For a product raised or sold in a city not within a county, locally grown includes those counties adjoining a county with a charter form of government and with more than nine hundred fifty thousand inhabitants;

(7) "Processing UAZ", a type of UAZ:

(a) That processes livestock or poultry for human consumption;

(b) That meets federal and state processing laws and standards;

(8) "Meat", any edible portion of livestock or poultry carcass or part thereof;

(9) "Meat product", anything containing meat intended for or capable of use for human consumption, which is derived, in whole or in part, from livestock or poultry;

(10) "Poultry", any domesticated bird intended for human consumption;

(11) "Value added agricultural products", any product or products that are the result of:

(a) Using an agricultural product grown in this state to produce a meat or dairy product in this state;

(b) A change in the physical state or form of the original agricultural product;

(c) An agricultural product grown in this state whose value has been enhanced by special production methods such as organically grown products; or

(d) A physical segregation of a commodity or agricultural product grown in this state that enhances its value such as identity preserved marketing systems;

(12) "Urban agricultural zone" or "UAZ", a zone that contains the following activities to qualify for the benefits provided under this section:

(a) Any organization or person who grows produce or other agricultural products;

(b) Any organization or person that raises livestock or poultry;

(c) Any organization or person who processes livestock or poultry;

(d) Any organization that sells at a minimum seventy-five percent locally grown food;

(13) "Vending UAZ", a type of UAZ:

(a) That sells produce, meat, or value added locally grown agricultural goods;

(b) That applies to the department of agriculture for an UAZ vendor license;

(c) That is able to accept food stamps under the provisions of the Federal Food Stamp Program as a form of payment.

2. (1) A person or organization shall submit to any incorporated municipality an application to develop an UAZ on a blighted area of land. Such application shall demonstrate or identify on the application:

(a) If the person or organization is a grower UAZ, processing UAZ, vending UAZ, or a combination of all three types of UAZs provided in this paragraph, in which case the person or organization shall meet the requirements of each type of UAZ in order to qualify;

(b) The number of jobs to be created;

(c) The types of products to be produced (i.e. produce, value added agriculture products, livestock/domesticated animal);

(d) If applying for a vending UAZ, the ability to accept food stamps under the provisions of the Federal Food Stamp Program if selling products to consumers.

(2) A municipality shall review and modify the application as necessary before either approving or denying the request to establish an UAZ.

(3) Approval of the UAZ by such municipality shall be reviewed five and ten years after the development of the UAZ. After twenty-five years, the UAZ shall dissolve. If the municipality finds during its review that the UAZ is not meeting the requirements set out in this section, the municipality may dissolve the UAZ.

3. Once the requirements of this section have been complied with, the real property of the UAZ shall not be subject to assessment or payment of ad valorem taxes on real property imposed by the cities affected by this section, or by the state or any political subdivision thereof, for a period of ten years at which time the property shall then be reassessed. The UAZ shall then pay fifty percent of the assessed value for the next fifteen years. If only a portion of real property is used as an UAZ, then only that portion of real property shall not be subject to assessment or payment of ad valorem taxes on such property.

4. If the water services for the UAZ are provided by the municipality, a grower UAZ shall pay wholesale water rates, if available, for the cost of water consumed on the UAZ and shall pay fifty percent of the standard cost to hook onto the water source.

5. (1) Any sales tax revenues received from the sale of products sold in the UAZ, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on motor vehicles, trailers, boats, and outboard motors, and future sales taxes earmarked by law, shall be deposited in the urban agricultural zone fund established in subdivision (2) of this subsection. School districts may apply to the state treasurer for money in the fund to be used for the development of curriculum on or the implementation of urban farming practices under the guidance of the University of Missouri extension service and a certified vocational agricultural instructor. The funds are to be distributed within the school district in which the UAZ is located.

(2) There is hereby created in the state treasury the "Urban Agricultural Zone Fund", which shall consist of money collected under subdivision (1) of this subsection. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, money in the fund shall be used solely for the administration of subdivision (1) of this subsection. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

6. The provisions in this section shall supercede any local ordinances to the contrary."; and

Further amend said title, enacting clause and intersectional references accordingly.

On motion of Representative Holsman, **House Amendment No. 6** was adopted.

Representative McNeil offered **House Amendment No. 7**.

Representative Cierpiot raised a point of order that **House Amendment No. 7** goes beyond the scope of the bill.

The Chair ruled the point of order well taken.

On motion of Representative Klippenstein, **HCS HB 1254, as amended**, was adopted.

On motion of Representative Klippenstein, **HCS HB 1254, as amended**, was ordered perfected and printed.

HB 2099, relating to the Whistleblower Protection Act, was taken up by Representative Elmer.

Representative Korman offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Bill No. 2099, Page 1, Section 213.200, Line 8, by inserting after the word "**state**" the following: "**or any public entity with the status of a governmental body**"; and

Further amend said title, enacting clause and intersectional references accordingly.

On motion of Representative Korman, **House Amendment No. 1** was adopted.

Representative Taylor offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Bill No. 2099, Section 213.200, Page 1, Line 6, by deleting "**six**" and inserting in lieu thereof "**one**"; and

Further amend said section, Page 2, Line 42, by deleting "**more than five and**"; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Taylor, **House Amendment No. 2** was adopted by the following vote:

AYES: 142

Allen	Anders	Asbury	Atkins	Aull
Bahr	Barnes	Bernskoetter	Berry	Black
Brandom	Brattin	Brown 50	Brown 85	Brown 116
Burlison	Carlson	Carter	Casey	Cauthorn
Cierpiot	Colona	Conway 14	Conway 27	Cookson
Cox	Crawford	Cross	Davis	Denison
Ellinger	Ellington	Elmer	Entlicher	Fallert
Fisher	Fitzwater	Flanigan	Fraker	Franz
Frederick	Fuhr	Gatschenberger	Gosen	Grisamore
Guernsey	Haefner	Hampton	Harris	Higdon
Hinson	Hodges	Holsman	Hoskins	Hough
Houghton	Hubbard	Hughes	Hummel	Johnson
Jones 63	Jones 89	Jones 117	Kander	Keeney
Kelley 126	Kelly 24	Kirkton	Korman	Kratky
Lair	Lampe	Lant	Largent	Lasater
Leach	Leara	Lichtenegger	Loehner	Long
Marshall	May	McCaherty	McCann Beatty	McCreery
McDonald	McGeoghegan	McManus	McNeil	Molendorp
Montecillo	Morgan	Nance	Nasheed	Neth
Newman	Nichols	Nolte	Oxford	Pace
Parkinson	Phillips	Pierson	Quinn	Redmon
Reiboldt	Richardson	Rizzo	Rowland	Ruzicka
Scharnhorst	Schatz	Schieber	Schieffer	Schneider
Schoeller	Schupp	Shively	Shumake	Sifton
Silvey	Smith 71	Smith 150	Solon	Sommer
Spreng	Still	Stream	Swearingen	Taylor
Thomson	Torpey	Wallingford	Walton Gray	Webb
Webber	Weter	White	Wieland	Wright
Wyatt	Zerr			

NOES: 008

Curtman	Dugger	Franklin	Klippenstein	Koenig
Pollock	Schad	Wells		

PRESENT: 000

ABSENT WITH LEAVE: 013

Day	Dieckhaus	Diehl	Funderburk	Lauer
McGhee	McNary	Meadows	Riddle	Sater
Swinger	Talboy	Mr Speaker		

Representative Jones (89) moved the previous question.

Which motion was adopted by the following vote:

AYES: 093

Allen	Asbury	Bahr	Barnes	Bernskoetter
Berry	Brandom	Brattin	Brown 85	Brown 116
Burlison	Cauthorn	Cierpiot	Conway 14	Cookson
Cox	Crawford	Cross	Curtman	Davis
Denison	Dieckhaus	Dugger	Elmer	Entlicher
Fisher	Fitzwater	Flanigan	Fraker	Franklin
Franz	Frederick	Fuhr	Gatschenberger	Gosen
Grisamore	Haefner	Higdon	Hinson	Hoskins
Hough	Houghton	Johnson	Jones 89	Keeney
Kelley 126	Klippenstein	Koenig	Korman	Lair
Lant	Largent	Lasater	Leach	Leara
Lichtenegger	Loehner	Long	Marshall	McGhee
McNary	Molendorp	Nance	Neth	Phillips
Pollock	Redmon	Reiboldt	Richardson	Riddle
Rowland	Ruzicka	Schad	Schatz	Schieber
Schneider	Schoeller	Shumake	Silvey	Smith 150
Solon	Sommer	Stream	Thomson	Torpey
Wallingford	Wells	Weter	White	Wieland
Wright	Wyatt	Zerr		

NOES: 054

Anders	Atkins	Aull	Black	Brown 50
Carlson	Carter	Casey	Colona	Conway 27
Ellinger	Ellington	Fallert	Harris	Hodges
Holsman	Hubbard	Hummel	Jones 63	Kander
Kelly 24	Kirkton	Kratky	Lampe	May
McCann Beatty	McCreery	McDonald	McGeoghegan	McManus
McNeil	Montecillo	Morgan	Nasheed	Newman
Nichols	Oxford	Pace	Pierson	Quinn
Rizzo	Schieffer	Schupp	Shively	Sifton
Smith 71	Spreng	Still	Swearingen	Swinger
Taylor	Walton Gray	Webb	Webber	

PRESENT: 000

ABSENT WITH LEAVE: 016

Day	Diehl	Funderburk	Guernsey	Hampton
Hughes	Jones 117	Lauer	McCaherty	Meadows
Nolte	Parkinson	Sater	Scharnhorst	Talboy
Mr Speaker				

On motion of Representative Elmer, **HB 2099, as amended**, was ordered perfected and printed by the following vote:

AYES: 085

Allen	Asbury	Bahr	Bernskoetter	Brandom
Brattin	Brown 85	Brown 116	Burlison	Cauthorn
Cierpiot	Conway 14	Cookson	Cox	Crawford
Cross	Curtman	Davis	Denison	Dieckhaus
Dugger	Elmer	Entlicher	Fisher	Fitzwater
Flanigan	Fraker	Franklin	Franz	Frederick
Fuhr	Gatschenberger	Gosen	Grisamore	Haefner
Hampton	Hinson	Hoskins	Hough	Houghton
Johnson	Jones 89	Jones 117	Keeney	Kelley 126
Klippenstein	Koenig	Korman	Lair	Lant
Leara	Lichtenegger	Loehner	Long	McCaherty
McGhee	McNary	Nance	Phillips	Pollock
Redmon	Reiboldt	Richardson	Riddle	Rowland
Ruzicka	Schad	Scharnhorst	Schatz	Schneider
Schoeller	Shumake	Silvey	Smith 150	Sommer
Stream	Swinger	Thomson	Wallingford	Wells
White	Wieland	Wright	Zerr	Mr Speaker

NOES: 067

Anders	Atkins	Aull	Barnes	Berry
Black	Brown 50	Carlson	Carter	Casey
Colona	Conway 27	Ellinger	Ellington	Fallert
Harris	Higdon	Hodges	Holsman	Hubbard
Hummel	Jones 63	Kander	Kelly 24	Kirkton
Kratky	Lampe	Largent	Lasater	Leach
Marshall	May	McCann Beatty	McCreery	McDonald
McGeoghegan	McManus	McNeil	Molendorp	Montecillo
Morgan	Nasheed	Neth	Newman	Nichols
Oxford	Pace	Pierson	Quinn	Rizzo
Schieber	Schieffer	Schupp	Shively	Sifton
Smith 71	Solon	Spreng	Still	Swearingen
Taylor	Torpey	Walton Gray	Webb	Webber
Weter	Wyatt			

PRESENT: 000

ABSENT WITH LEAVE: 011

Day	Diehl	Funderburk	Guernsey	Hughes
Lauer	Meadows	Nolte	Parkinson	Sater
Talboy				

THIRD READING OF SENATE BILL

SB 564, relating to motorcycle rider training, was taken up by Representative Davis.

Representative Hinson offered **House Amendment No. 1**.

House Amendment No. 1

AMEND Senate Bill No. 564, Page 1, In the Title, Lines 3 through 5, by deleting all of said lines and inserting in lieu thereof the words, "to motor vehicles"; and

Further amend said bill, Page 1, Section A, Line 2, by inserting after all of said line the following:

"302.130. 1. Any person at least fifteen years of age who, except for age or lack of instruction in operating a motor vehicle, would otherwise be qualified to obtain a license pursuant to sections 302.010 to 302.340 may apply for and the director shall issue a temporary instruction permit entitling the applicant, while having such permit in the applicant's immediate possession, to drive a motor vehicle of the appropriate class upon the highways for a period of twelve months, but any such person, except when operating a motorcycle or motortricycle, must be accompanied by a licensed operator for the type of motor vehicle being operated who is actually occupying a seat beside the driver for the purpose of giving instruction in driving the motor vehicle, who is at least twenty-one years of age, and in the case of any driver under sixteen years of age, the licensed operator occupying the seat beside the driver shall be a grandparent, parent, guardian, a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the department of elementary and secondary education or a qualified instructor of a private drivers' education program who has a valid driver's license. An applicant for a temporary instruction permit shall successfully complete a vision test and a test of the applicant's ability to understand highway signs which regulate, warn or direct traffic and practical knowledge of the traffic laws of this state, pursuant to section 302.173. In addition, beginning January 1, 2007, no permit shall be granted pursuant to this subsection unless a parent or legal guardian gives written permission by signing the application and in so signing, state they, or their designee as set forth in subsection 2 of this section, will provide a minimum of forty hours of behind-the-wheel driving instruction, including a minimum of ten hours of behind-the-wheel driving instruction that occurs during the nighttime hours falling between sunset and sunrise. The forty hours of behind-the-wheel driving instruction that is completed pursuant to this subsection may include any time that the holder of an instruction permit has spent operating a motor vehicle in a driver training program taught by a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the department of elementary and secondary education or by a qualified instructor of a private drivers' education program. If the applicant for a permit is enrolled in a federal residential job training program, the instructor, as defined in subsection 5 of this section, is authorized to sign the application stating that the applicant will receive the behind-the-wheel driving instruction required by this section.

2. In the event the parent, grandparent or guardian of the person under sixteen years of age has a physical disability which prohibits or disqualifies said parent, grandparent or guardian from being a qualified licensed operator pursuant to this section, said parent, grandparent or guardian may designate a maximum of two individuals authorized to accompany the applicant for the purpose of giving instruction in driving the motor vehicle. An authorized designee must be a licensed operator for the type of motor vehicle being operated and have attained twenty-one years of age. At least one of the designees must occupy the seat beside the applicant while giving instruction in driving the motor vehicle. The name of the authorized designees must be provided to the department of revenue by the parent, grandparent or guardian at the time of application for the temporary instruction permit. The name of each authorized designee shall be printed on the temporary instruction permit, however, the director may delay the time at which permits are printed bearing such names until the inventories of blank permits and related forms existing on August 28, 1998, are exhausted.

3. The director, upon proper application on a form prescribed by the director, in his or her discretion, may issue a restricted instruction permit effective for a school year or more restricted period to an applicant who is enrolled in a high school driver training program taught by a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the state department of elementary and secondary education even though the applicant has not reached the age of sixteen years but has passed the age of fifteen years. Such instruction permit shall entitle the applicant, when the applicant has such permit in his or her immediate possession, to operate a motor vehicle on the highways, but only when a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the state department of elementary and secondary education is occupying a seat beside the driver.

4. The director, in his or her discretion, may issue a temporary driver's permit to an applicant who is otherwise qualified for a license permitting the applicant to operate a motor vehicle while the director is completing the director's investigation and determination of all facts relative to such applicant's rights to receive a license. Such permit must be in the applicant's immediate possession while operating a motor vehicle, and it shall be invalid when the applicant's license has been issued or for good cause has been refused.

5. In the event that the applicant for a temporary instruction permit described in subsection 1 of this section is a participant in a federal residential job training program, the permittee may operate a motor vehicle accompanied by a driver training instructor who holds a valid driver education endorsement issued by the department of elementary and secondary education and a valid driver's license.

6. A person at least fifteen years of age may operate a motor vehicle as part of a driver training program taught by a driver training instructor holding a valid driver education endorsement on a teaching certificate issued by the department of elementary and secondary education or a qualified instructor of a private drivers' education program.

7. Beginning January 1, 2003, the director shall issue with every temporary instruction permit issued pursuant to subsection 1 of this section a sticker or sign bearing the words "PERMIT DRIVER". The design and size of such sticker or sign shall be determined by the director by regulation. Every applicant issued a temporary instruction permit and sticker on or after January 1, 2003, may display or affix the sticker or sign on the rear window of the motor vehicle. Such sticker or sign may be displayed on the rear window of the motor vehicle whenever the holder of the instruction permit operates a motor vehicle during his or her temporary permit licensure period.

8. Beginning July 1, 2005, the director shall verify that an applicant for an instruction permit issued under this section is lawfully present in the United States before accepting the application. The director shall not issue an instruction permit for a period that exceeds an applicant's lawful presence in the United States. The director may establish procedures to verify the lawful presence of the applicant and establish the duration of any permit issued under this section.

9. **Notwithstanding subsection 1 of this section, if an applicant is issued a temporary instruction permit under the provisions of this section that includes a motorcycle endorsement, then such temporary instruction permit shall only entitle the applicant to operate a motor vehicle, motorcycle, or motortricycle for a period of six months and such applicant may only renew such permit two additional times, for a total maximum cumulative permit period of eighteen months pursuant to section 302.132.**

10. The director may adopt rules and regulations necessary to carry out the provisions of this section.

302.132. 1. Any person at least fifteen and one-half years of age who, except for age or lack of instruction in operating a motor vehicle, would otherwise be qualified to obtain a motorcycle or motortricycle license or endorsement pursuant to sections 302.010 to 302.340 may apply, with the written consent of the parent or guardian of such person, for a temporary motorcycle instruction permit to operate a motorcycle or motortricycle.

2. The director shall issue a temporary motorcycle instruction permit under this section if the applicant has completed a motorcycle rider training course approved under sections 302.133 to 302.138 and is otherwise eligible for the temporary permit.

3. A person receiving a temporary motorcycle permit and having it in his **or her** immediate possession shall be entitled to operate a motorcycle or motortricycle for a period of six months upon the highways of the state, and **[**persons under the age of sixteen**] such person** shall be subject to the following restrictions:

(1) **[**The motorcycle or motortricycle may not have an engine with a displacement of greater than two hundred fifty cubic centimeters;

(2)**]** The operator shall not travel at any time from a half-hour after sunset to a half-hour before sunrise; **and**

[(3)**] (2)** The operator shall not carry any passengers**[**; and

(4) The operator shall not travel over fifty miles from the operator's home address**]**.

4. An applicant issued a temporary motorcycle instruction permit under this section may renew such permit two additional times, for a total maximum permit period of eighteen months. After such period the applicant shall complete the required written examinations to obtain a temporary motorcycle instruction permit or a temporary instruction permit with a motorcycle endorsement."; and

Further amend said bill, Page 4, Section 302.173, Line 100, by inserting after all of said line the following:

"Section B. The repeal and reenactment of sections 302.130 and 302.132 shall become effective May 1, 2013."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Hinson, **House Amendment No. 1** was adopted.

Representative Pollock offered **House Amendment No. 2**.

House Amendment No. 2

AMEND Senate Bill No. 564, Page 4, Section 302.173, Line 100, by inserting after all of said section and line the following:

"**Section 1. 1. The department of transportation shall designate a sign at 1078 South Jefferson Street in Lebanon recognizing the "Independent Stave Company" as a centennial business.**

2. Costs associated with the erection and maintenance of such recognition shall be paid by private donations."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Entlicher offered **House Amendment No. 1 to House Amendment No. 2**.

House Amendment No. 1
to
House Amendment No. 2

AMEND House Amendment No. 2 to Senate Bill No. 564, Page 1, Line 7, by inserting after all of said line the following:

'Further amend said section and line, by inserting after all of said section and line the following:

"Section 2. 1. The department of transportation shall designate a sign at 111 West Broadway in Bolivar recognizing "Douglas, Haun, and Heidemann, P.C." as a centennial business.

2. Costs associated with the erection and maintenance of such recognition shall be paid by private donations."; and'; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Entlicher, **House Amendment No. 1 to House Amendment No. 2** was adopted.

On motion of Representative Pollock, **House Amendment No. 2, as amended**, was adopted.

Representative Nance offered **House Amendment No. 3**.

House Amendment No. 3

AMEND Senate Bill No. 564, Page 1, Title, Lines 3-5, by deleting all of said lines and inserting in lieu thereof the following:

"to motor vehicle operation."; and

Further amend said bill, Page 4, Section 302.173, Line 100, by inserting after all of said section and line the following:

"302.341. 1. If a Missouri resident charged with a moving **[**traffic**]** violation**, as defined in section 302.010,** of this state or any county or municipality of this state fails to dispose of the charges of which the resident is accused through authorized prepayment of fine and court costs and fails to appear on the return date or at any subsequent date to which the case has been continued, or without good cause fails to pay any fine or court costs assessed against the resident for any such violation within the period of time specified or in such installments as approved by the court or as otherwise provided by law, any court having jurisdiction over the charges shall within ten days of the failure to comply inform the defendant by ordinary mail at the last address shown on the court records that the court will order the director of revenue to suspend the defendant's driving privileges if the charges are not disposed of and fully paid within thirty days from the date of mailing. Thereafter, if the defendant fails to timely act to dispose of the charges and fully pay any applicable fines and court costs, the court shall notify the director of revenue of such failure and of the pending charges against the defendant. Upon receipt of this notification, the director shall suspend the license of the driver, effective immediately, and provide notice of the suspension to the driver at the last address for the driver shown on the records of the department of revenue. Such suspension shall remain in effect until the court with the subject pending charge requests setting aside the noncompliance suspension pending final disposition, or satisfactory evidence of disposition of pending charges and payment of fine and court costs, if applicable, is furnished to the director by the individual. Upon proof of disposition of charges and payment of fine and court costs, if applicable, and payment of the reinstatement fee as set forth in section 302.304, the director shall return the license and remove the suspension from the individual's driving record. The filing of financial responsibility with the bureau of safety responsibility, department of revenue, shall not be required as a condition of reinstatement of a driver's license suspended solely under the provisions of this section.

2. If any city, town or village **meets the criteria established in subsection 6 of this section and** receives more than thirty-five percent of its annual general operating revenue from fines and court costs for **[**traffic**] cited moving** violations occurring on state highways, **whether the violation is adjudicated finally as a moving or nonmoving violation,** all revenues from such violations in excess of thirty-five percent of the annual general operating revenue of the city, town or village shall be sent to the director of the department of revenue and shall be distributed annually to the schools of the county in the same manner that proceeds of all penalties, forfeitures and fines collected for any breach of the penal laws of the state are distributed. For the purpose of this section the words "state highways" shall mean any state or federal highway, including any such highway continuing through the boundaries of a city, town or village with a designated street name other than the state highway number. **[**The director of the department of revenue shall set forth by rule a procedure whereby excess revenues as set forth above shall be sent to the department of revenue.**]**

3. The governing body of each city, town, or village that meets the criteria established in subsection 6 of this section shall cause to be prepared an annual report of the fines and court costs collected for cited moving violations whether finally adjudicated as a moving or nonmoving violation occurring on state highways, along with the entity's annual general revenue for the year, in such summary form as the department of revenue shall prescribe by rule. In the event the fines and court costs exceed thirty-five percent of the entity's general operating revenue for the year, the entity shall include with the annual report payment of the excess revenues to the director of the department of revenue. The payment of excess revenues shall be disbursed as provided in subsection 2 of this section. If any city, town, or village disputes a determination that it has received excess revenues required to be sent to the department of revenue, such city, town, or village may submit to an annual audit by the state auditor under the authority of article IV, section 13 of the Missouri Constitution. **[**Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.**]**

4. The department of revenue may promulgate rules necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the

authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be invalid and void.

5. In the event a city, town, or village that meets the criteria established in subsection 6 of this section fails to comply with subsections 2 and 3 of this section, such entity shall be subject to a civil penalty in an amount up to one thousand dollars. The department of revenue shall determine the amount of the penalty by taking into account the size of the entity, the seriousness of the offense, and whether the city, town, or village has violated the provisions of subsections 2 and 3 of this section previously. The director of revenue or his or her designated representative shall administer and enforce the provisions of this section and may develop, prescribe, and issue any forms, notices, or other written documents to enforce such authority and to ensure that every city, town, or village is in compliance with the provisions of subsections 2 and 3 of this section.

6. The provisions of subsections 2, 3, 4, and 5 of this section shall only apply to any city, town, or village with:

(1) Less than two million dollars in general revenue, excluding fines and court costs collected for cited moving violations whether finally adjudicated as a moving or nonmoving violation; and

(2) Fines and court costs from cited moving violations, whether finally adjudicated as a moving or nonmoving violation, in excess of seventy thousand dollars."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Nance, **House Amendment No. 3** was adopted.

Representative Wells offered **House Amendment No. 4**.

House Amendment No. 4

AMEND Senate Bill No. 564, Page 1, In the Title, Lines 3 to 5, by deleting all of said lines and inserting in lieu thereof the words, "to motor vehicles."; and

Further amend said bill, Page 4, Section 302.173, Line 100, by inserting after all of said line the following:

"304.180. 1. No vehicle or combination of vehicles shall be moved or operated on any highway in this state having a greater weight than twenty thousand pounds on one axle, no combination of vehicles operated by transporters of general freight over regular routes as defined in section 390.020 shall be moved or operated on any highway of this state having a greater weight than the vehicle manufacturer's rating on a steering axle with the maximum weight not to exceed twelve thousand pounds on a steering axle, and no vehicle shall be moved or operated on any state highway of this state having a greater weight than thirty-four thousand pounds on any tandem axle; the term "tandem axle" shall mean a group of two or more axles, arranged one behind another, the distance between the extremes of which is more than forty inches and not more than ninety-six inches apart.

2. An "axle load" is defined as the total load transmitted to the road by all wheels whose centers are included between two parallel transverse vertical planes forty inches apart, extending across the full width of the vehicle.

3. Subject to the limit upon the weight imposed upon a highway of this state through any one axle or on any tandem axle, the total gross weight with load imposed by any group of two or more consecutive axles of any vehicle or combination of vehicles shall not exceed the maximum load in pounds as set forth in the following table:

Distance in feet between the extremes of any group of two or more consecutive axles, measured to the nearest foot, except where indicated otherwise	Maximum load in pounds				
feet	2 axles	3 axles	4 axles	5 axles	6 axles

4	34,000				
5	34,000				
6	34,000				
7	34,000				
8	34,000	34,000			
More than 8	38,000	42,000			
9	39,000	42,500			
10	40,000	43,500			
11	40,000	44,000			
12	40,000	45,000	50,000		
13	40,000	45,500	50,500		
14	40,000	46,500	51,500		
15	40,000	47,000	52,000		
16	40,000	48,000	52,500	58,000	
17	40,000	48,500	53,500	58,500	
18	40,000	49,500	54,000	59,000	
19	40,000	50,000	54,500	60,000	
20	40,000	51,000	55,500	60,500	66,000
21	40,000	51,500	56,000	61,000	66,500
22	40,000	52,500	56,500	61,500	67,000
23	40,000	53,000	57,500	62,500	68,000
24	40,000	54,000	58,000	63,000	68,500
25	40,000	54,500	58,500	63,500	69,000
26	40,000	55,500	59,500	64,000	69,500
27	40,000	56,000	60,000	65,000	70,000
28	40,000	57,000	60,500	65,500	71,000
29	40,000	57,500	61,500	66,000	71,500
30	40,000	58,500	62,000	66,500	72,000
31	40,000	59,000	62,500	67,500	72,500
32	40,000	60,000	63,500	68,000	73,000
33	40,000	60,000	64,000	68,500	74,000
34	40,000	60,000	64,500	69,000	74,500
35	40,000	60,000	65,500	70,000	75,000
36		60,000	66,000	70,500	75,500
37		60,000	66,500	71,000	76,000
38		60,000	67,500	72,000	77,000
39		60,000	68,000	72,500	77,500
40		60,000	68,500	73,000	78,000
41		60,000	69,500	73,500	78,500
42		60,000	70,000	74,000	79,000
43		60,000	70,500	75,000	80,000
44		60,000	71,500	75,500	80,000
45		60,000	72,000	76,000	80,000
46		60,000	72,500	76,500	80,000
47		60,000	73,500	77,500	80,000
48		60,000	74,000	78,000	80,000
49		60,000	74,500	78,500	80,000
50		60,000	75,500	79,000	80,000
51		60,000	76,000	80,000	80,000
52		60,000	76,500	80,000	80,000
53		60,000	77,500	80,000	80,000
54		60,000	78,000	80,000	80,000
55		60,000	78,500	80,000	80,000
56		60,000	79,500	80,000	80,000
57		60,000	80,000	80,000	80,000

Notwithstanding the above table, two consecutive sets of tandem axles may carry a gross load of thirty-four thousand pounds each if the overall distance between the first and last axles of such consecutive sets of tandem axles is thirty-six feet or more.

4. Whenever the state highways and transportation commission finds that any state highway bridge in the state is in such a condition that use of such bridge by vehicles of the weights specified in subsection 3 of this section will endanger the bridge, or the users of the bridge, the commission may establish maximum weight limits and speed limits for vehicles using such bridge. The governing body of any city or county may grant authority by act or ordinance to the state highways and transportation commission to enact the limitations established in this section on those roadways within the purview of such city or county. Notice of the weight limits and speed limits established by the commission shall be given by posting signs at a conspicuous place at each end of any such bridge.

5. Nothing in this section shall be construed as permitting lawful axle loads, tandem axle loads or gross loads in excess of those permitted under the provisions of Section 127 of Title 23 of the United States Code.

6. Notwithstanding the weight limitations contained in this section, any vehicle or combination of vehicles operating on highways other than the interstate highway system may exceed single axle, tandem axle and gross weight limitations in an amount not to exceed two thousand pounds. However, total gross weight shall not exceed eighty thousand pounds, except as provided in **[**subsection 9**] subsections 9 and 10** of this section.

7. Notwithstanding any provision of this section to the contrary, the department of transportation shall issue a single-use special permit, or upon request of the owner of the truck or equipment, shall issue an annual permit, for the transporting of any concrete pump truck or well-drillers' equipment. The department of transportation shall set fees for the issuance of permits pursuant to this subsection. Notwithstanding the provisions of section 301.133, concrete pump trucks or well-drillers' equipment may be operated on state-maintained roads and highways at any time on any day.

8. Notwithstanding the provision of this section to the contrary, the maximum gross vehicle limit and axle weight limit for any vehicle or combination of vehicles equipped with an idle reduction technology may be increased by a quantity necessary to compensate for the additional weight of the idle reduction system as provided for in 23 U.S.C. Section 127, as amended. In no case shall the additional weight increase allowed by this subsection be greater than four hundred pounds. Upon request by an appropriate law enforcement officer, the vehicle operator shall provide proof that the idle reduction technology is fully functional at all times and that the gross weight increase is not used for any purpose other than for the use of idle reduction technology.

9. Notwithstanding subsection 3 of this section or any other provision of law to the contrary, the total gross weight of any vehicle or combination of vehicles hauling livestock may be as much as, but shall not exceed, eighty-five thousand five hundred pounds while operating on U.S. Highway 36 from St. Joseph to U.S. Highway **[**65**] 63**, **[**and**]** on U.S. Highway 65 from the Iowa state line to U.S. Highway 36**, and on U.S. Highway 63 from the Iowa state line to U.S. Highway 36**.

10. Notwithstanding any provision of this section or any other law to the contrary, the total gross weight of any vehicle or combination of vehicles hauling milk from a farm to a processing facility may be as much as, but shall not exceed, eighty-five thousand five hundred pounds while operating on highways other than the interstate highway system."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Wells, **House Amendment No. 4** was adopted.

Representative Sommer offered **House Amendment No. 5**.

House Amendment No. 5

AMEND Senate Bill No. 564, Page 1, Lines 3-5 of the Title, by deleting all of said lines and inserting in lieu there of the following:

"motor vehicles."; and

Further amend said bill and page, Section A, Line 2, by inserting after all of said section and line the following:

"302.020. 1. Unless otherwise provided for by law, it shall be unlawful for any person, except those expressly exempted by section 302.080, to:

(1) Operate any vehicle upon any highway in this state unless the person has a valid license;

(2) Operate a motorcycle or motortricycle upon any highway of this state unless such person has a valid license that shows the person has successfully passed an examination for the operation of a motorcycle or motortricycle as prescribed by the director. The director may indicate such upon a valid license issued to such person, or shall issue a license restricting the applicant to the operation of a motorcycle or motortricycle if the actual demonstration, required by section 302.173, is conducted on such vehicle;

(3) Authorize or knowingly permit a motorcycle or motortricycle owned by such person or under such person's control to be driven upon any highway by any person whose license does not indicate that the person has passed the examination for the operation of a motorcycle or motortricycle or has been issued an instruction permit therefor;

(4) Operate a motor vehicle with an instruction permit or license issued to another person.

2. **Beginning January 1, 2014, every applicant who is under twenty-one years of age and applies for a motorcycle license or endorsement shall show proof that he or she has successfully completed a motorcycle training course approved under sections 302.133 to 302.138.**

3. Every person operating or riding as a passenger on any motorcycle or motortricycle, as defined in section 301.010, upon any highway of this state shall wear protective headgear at all times the vehicle is in motion. The protective headgear shall meet reasonable standards and specifications established by the director.

[3.**]** **4.** Notwithstanding the provisions of section 302.340 any person convicted of violating subdivision (1) or (2) of subsection 1 of this section is guilty of a misdemeanor. A first violation of subdivision (1) or (2) of subsection 1 of this section shall be punishable by a fine not to exceed three hundred dollars. A second violation of subdivision (1) or (2) of subsection 1 of this section shall be punishable by imprisonment in the county jail for a term not to exceed one year and/or a fine not to exceed one thousand dollars. Any person convicted a third or subsequent time of violating subdivision (1) or (2) of subsection 1 of this section is guilty of a class D felony. Notwithstanding the provisions of section 302.340, violation of subdivisions (3) and (4) of subsection 1 of this section is a misdemeanor, the first violation punishable by a fine not to exceed three hundred dollars, a second or subsequent violation of this section punishable as a class C misdemeanor, and the penalty for failure to wear protective headgear as required by subsection 2 of this section is an infraction for which a fine not to exceed twenty-five dollars may be imposed. Notwithstanding all other provisions of law and court rules to the contrary, no court costs shall be imposed upon any person due to such violation. No points shall be assessed pursuant to section 302.302 for a failure to wear such protective headgear. Prior pleas of guilty and prior findings of guilty shall be pleaded and proven in the same manner as required by section 558.021."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Sommer moved that **House Amendment No. 5** be adopted.

Which motion was defeated.

Representative Long offered **House Amendment No. 6**.

House Amendment No. 6

AMEND Senate Bill No. 564, Page 1, In the Title, Lines 3 through 5, by deleting all of said lines and inserting in lieu thereof the words, "to motor vehicles."; and

Further amend said bill, Page 4, Section 302.173, Line 100, by inserting after all of said line the following:

"302.341. 1. If a Missouri resident charged with a moving traffic violation of this state or any county or municipality of this state fails to dispose of the charges of which the resident is accused through authorized prepayment of fine and court costs and fails to appear on the return date or at any subsequent date to which the case has been continued, or without good cause fails to pay any fine or court costs assessed against the resident for any such violation within the period of time specified or in such installments as approved by the court or as otherwise provided by law, any court having jurisdiction over the charges shall within ten days of the failure to comply inform the defendant by ordinary mail at the last address shown on the court records that the court will order the director of revenue to suspend the defendant's driving privileges if the charges are not disposed of and fully paid within thirty days from the date of mailing. Thereafter, if the defendant fails to timely act to dispose of the charges and fully pay any applicable fines and court costs, the court shall notify the director of revenue of such failure and of the pending charges against the defendant. Upon

receipt of this notification, the director shall suspend the license of the driver, effective immediately, and provide notice of the suspension to the driver at the last address for the driver shown on the records of the department of revenue. Such suspension shall remain in effect until the court with the subject pending charge requests setting aside the noncompliance suspension pending final disposition, or satisfactory evidence of disposition of pending charges and payment of fine and court costs, if applicable, is furnished to the director by the individual. Upon proof of disposition of charges and payment of fine and court costs, if applicable, and payment of the reinstatement fee as set forth in section 302.304, the director shall return the license and remove the suspension from the individual's driving record **if the individual was not operating a commercial motor vehicle or a commercial driver's license holder at the time of the offense**. The filing of financial responsibility with the bureau of safety responsibility, department of revenue, shall not be required as a condition of reinstatement of a driver's license suspended solely under the provisions of this section.

2. If any city, town or village receives more than thirty-five percent of its annual general operating revenue from fines and court costs for traffic violations occurring on state highways, all revenues from such violations in excess of thirty-five percent of the annual general operating revenue of the city, town or village shall be sent to the director of the department of revenue and shall be distributed annually to the schools of the county in the same manner that proceeds of all penalties, forfeitures and fines collected for any breach of the penal laws of the state are distributed. For the purpose of this section the words "state highways" shall mean any state or federal highway, including any such highway continuing through the boundaries of a city, town or village with a designated street name other than the state highway number. The director of the department of revenue shall set forth by rule a procedure whereby excess revenues as set forth above shall be sent to the department of revenue. If any city, town, or village disputes a determination that it has received excess revenues required to be sent to the department of revenue, such city, town, or village may submit to an annual audit by the state auditor under the authority of article IV, section 13 of the Missouri Constitution. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.

302.700. 1. Sections 302.700 to 302.780 may be cited as the "Uniform Commercial Driver's License Act".

2. When used in sections 302.700 to 302.780, the following words and phrases mean:

(1) "Alcohol", any substance containing any form of alcohol, including, but not limited to, ethanol, methanol, propanol and isopropanol;

(2) "Alcohol concentration", the number of grams of alcohol per one hundred milliliters of blood or the number of grams of alcohol per two hundred ten liters of breath or the number of grams of alcohol per sixty-seven milliliters of urine;

(3) **"CDLIS driver record", the electronic record of the individual commercial driver's status and history stored by the state of record as part of the Commercial Driver's License Information System (CDLIS) established under 49 U.S.C. Section 31309, et seq.;**

(4) "CDLIS motor vehicle record (CDLIS MVR)", a report generated from the CDLIS driver record which meets the requirements for access to CDLIS information and is provided by states to users authorized in 49 CFR Part 384, subject to the provisions of the Driver Privacy Protection Act, 18 U.S.C. Sections 2721 to 2725, et seq.;

(5) "Commercial driver's instruction permit", a permit issued pursuant to section 302.720;

[(4)**] (6)** "Commercial driver's license", a license issued by this state to an individual which authorizes the individual to operate a commercial motor vehicle;

[(5)**] (7) "Commercial driver's license downgrade", occurs when:**

(a) A driver changes the self-certification to interstate, but operates exclusively in transportation or operation excepted from 49 CFR Part 391, as provided in 49 CFR Part 390.3(f), 391.2, 391.68, or 398.3;

(b) A driver changes the self-certification to intrastate only, if the driver qualifies under the state's physical qualification requirements for intrastate only;

(c) A driver changes the self-certification to intrastate, but operating exclusively in transportation or operations excepted from all or part of the state driver qualification requirements; or

(d) The state removes the commercial driver's license privilege from the driver's license;

(8) "Commercial driver's license information system **(CDLIS)**", the information system established pursuant to the Commercial Motor Vehicle Safety Act of 1986 (Title XII of Pub. Law 99-570) to serve as a clearinghouse for locating information related to the licensing and identification of commercial motor vehicle drivers;

[(6)**] (9)** "Commercial motor vehicle", a motor vehicle designed or used to transport passengers or property:

(a) If the vehicle has a gross combination weight rating of twenty-six thousand one or more pounds inclusive of a towed unit which has a gross vehicle weight rating of ten thousand one pounds or more;

(b) If the vehicle has a gross vehicle weight rating of twenty-six thousand one or more pounds or such lesser rating as determined by federal regulation;

(c) If the vehicle is designed to transport sixteen or more passengers, including the driver; or

(d) If the vehicle is transporting hazardous materials and is required to be placarded under the Hazardous Materials Transportation Act (46 U.S.C. 1801, et seq.);

[(7)**] (10)** "Controlled substance", any substance so classified under Section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)), and includes all substances listed in schedules I through V of 21 CFR part 1308, as they may be revised from time to time;

[(8)**] (11)** "Conviction", an unvacated adjudication of guilt, including pleas of guilt and nolo contendre, or a determination that a person has violated or failed to comply with the law in a court of original jurisdiction or an authorized administrative proceeding, an unvacated forfeiture of bail or collateral deposited to secure the person's appearance in court, the payment of a fine or court cost, or violation of a condition of release without bail, regardless of whether the penalty is rebated, suspended or prorated, including an offense for failure to appear or pay;

[(9)**] (12)** "Director", the director of revenue or his authorized representative;

[(10)**] (13)** "Disqualification", any of the following three actions:

(a) The suspension, revocation, or cancellation of a commercial driver's license;

(b) Any withdrawal of a person's privileges to drive a commercial motor vehicle by a state**, Canada, or Mexico** as the result of a violation of federal, state, county, municipal, or local law relating to motor vehicle traffic control or violations committed through the operation of motor vehicles, other than parking, vehicle weight, or vehicle defect violations;

(c) A determination by the Federal Motor Carrier Safety Administration that a person is not qualified to operate a commercial motor vehicle under 49 CFR Part 383.52 or Part 391;

[(11)**] (14)** "Drive", to drive, operate or be in physical control of a commercial motor vehicle;

[(12)**] (15)** "Driver", any person who drives, operates, or is in physical control of a motor vehicle, or who is required to hold a commercial driver's license;

(16) "Driver applicant", an individual who applies to obtain, transfer, upgrade, or renew a commercial driver's license in this state;

[(13)**] (17)** "Driving under the influence of alcohol", the commission of any one or more of the following acts:

(a) Driving a commercial motor vehicle with the alcohol concentration of four one-hundredths of a percent or more as prescribed by the secretary or such other alcohol concentration as may be later determined by the secretary by regulation;

(b) Driving a commercial or noncommercial motor vehicle while intoxicated in violation of any federal or state law, or in violation of a county or municipal ordinance;

(c) Driving a commercial or noncommercial motor vehicle with excessive blood alcohol content in violation of any federal or state law, or in violation of a county or municipal ordinance;

(d) Refusing to submit to a chemical test in violation of section 577.041, section 302.750, any federal or state law, or a county or municipal ordinance; or

(e) Having any state, county or municipal alcohol-related enforcement contact, as defined in subsection 3 of section 302.525; provided that any suspension or revocation pursuant to section 302.505, committed in a noncommercial motor vehicle by an individual twenty-one years of age or older shall have been committed by the person with an alcohol concentration of at least eight-hundredths of one percent or more, or in the case of an individual who is less than twenty-one years of age, shall have been committed by the person with an alcohol concentration of at least two-hundredths of one percent or more, and if committed in a commercial motor vehicle, a concentration of four-hundredths of one percent or more;

[(14)**] (18)** "Driving under the influence of a controlled substance", the commission of any one or more of the following acts in a commercial or noncommercial motor vehicle:

(a) Driving a commercial or noncommercial motor vehicle while under the influence of any substance so classified under Section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)), including any substance listed in schedules I through V of 21 CFR Part 1308, as they may be revised from time to time;

(b) Driving a commercial or noncommercial motor vehicle while in a drugged condition in violation of any federal or state law or in violation of a county or municipal ordinance; or

(c) Refusing to submit to a chemical test in violation of section 577.041, section 302.750, any federal or state law, or a county or municipal ordinance;

[(15)**] (19)** "Employer", any person, including the United States, a state, or a political subdivision of a state, who owns or leases a commercial motor vehicle or assigns a driver to operate such a vehicle;

(20) "Endorsement", an authorization on an individual's commercial driver's license permitting the individual to operate certain types of commercial motor vehicles;

[(16)**] (21)** "Farm vehicle", a commercial motor vehicle controlled and operated by a farmer used exclusively for the transportation of agricultural products, farm machinery, farm supplies, or a combination of these, within one hundred fifty miles of the farm, other than one which requires placarding for hazardous materials as defined in this section, or used in the operation of a common or contract motor carrier, except that a farm vehicle shall not be a commercial motor vehicle when the total combined gross weight rating does not exceed twenty-six thousand one pounds when transporting fertilizers as defined in subdivision **[**(21)**] (27)** of this subsection;

[(17)**] (22)** "Fatality", the death of a person as a result of a motor vehicle accident;

[(18)**] (23)** "Felony", any offense under state or federal law that is punishable by death or imprisonment for a term exceeding one year;

(24) "Foreign", outside the fifty states of the United States and the District of Columbia;

[(19)**] (25)** "Gross combination weight rating" or "GCWR", the value specified by the manufacturer as the loaded weight of a combination (articulated) vehicle. In the absence of a value specified by the manufacturer, GCWR will be determined by adding the GVWR of the power unit and the total weight of the towed unit and any load thereon;

[(20)**] (26)** "Gross vehicle weight rating" or "GVWR", the value specified by the manufacturer as the loaded weight of a single vehicle;

[(21)**] (27)** "Hazardous materials", any material that has been designated as hazardous under 49 U.S.C. 5103 and is required to be placarded under subpart F of CFR Part 172 or any quantity of a material listed as a select agent or toxin in 42 CFR Part 73. Fertilizers, including but not limited to ammonium nitrate, phosphate, nitrogen, anhydrous ammonia, lime, potash, motor fuel or special fuel, shall not be considered hazardous materials when transported by a farm vehicle provided all other provisions of this definition are followed;

[(22)**] (28)** "Imminent hazard", the existence of a condition that presents a substantial likelihood that death, serious illness, severe personal injury, or a substantial endangerment to health, property, or the environment may occur before the reasonably foreseeable completion date of a formal proceeding begins to lessen the risk of that death, illness, injury, or endangerment;

[(23)**] (29)** "Issuance", the initial licensure, license transfers, license renewals, and license upgrades;

(30) "Medical examiner", a person who is licensed, certified, or registered, in accordance with applicable state laws and regulations, to perform physical examinations. The term includes, but is not limited to, doctors of medicine, doctors of osteopathy, physician assistants, advanced practice nurses, and doctors of chiropractic;

(31) "Medical variance", when a driver has received one of the following that allows the driver to be issued a medical certificate:

(a) An exemption letter permitting operation of a commercial motor vehicle under 49 CFR Part 381, Subpart C or 49 CFR Part 391.64;

(b) A skill performance evaluation certificate permitting operation of a commercial motor vehicle under 49 CFR Part 391.49;

[(24)**] (32)** "Motor vehicle", any self-propelled vehicle not operated exclusively upon tracks;

[(25)**] (33)** "Noncommercial motor vehicle", a motor vehicle or combination of motor vehicles not defined by the term "commercial motor vehicle" in this section;

[(26)**] (34)** "Out of service", a temporary prohibition against the operation of a commercial motor vehicle by a particular driver, or the operation of a particular commercial motor vehicle, or the operation of a particular motor carrier;

[(27)**] (35)** "Out-of-service order", a declaration by **[**the Federal Highway Administration, or any**] an** authorized enforcement officer of a federal, state, **[**Commonwealth of Puerto Rico,**]** Canadian, Mexican or any local jurisdiction, that a driver, or a commercial motor vehicle, or a motor carrier operation, is out of service **under 49 CFR Part 386.72, 392.5, 392.9a, 395.13, or 396.9, or comparable laws, or the North American Standard Out-of-Service Criteria**;

[(28)**] (36)** "School bus", a commercial motor vehicle used to transport preprimary, primary, or secondary school students from home to school, from school to home, or to and from school-sponsored events. School bus does not include a bus used as a common carrier as defined by the Secretary;

[(29)**] (37)** "Secretary", the Secretary of Transportation of the United States;

[(30)**] (38)** "Serious traffic violation", driving a commercial motor vehicle in such a manner that the driver receives a conviction for the following offenses or driving a noncommercial motor vehicle when the driver receives a conviction for the following offenses and the conviction results in the suspension or revocation of the driver's license or noncommercial motor vehicle driving privilege:

(a) Excessive speeding, as defined by the Secretary by regulation;

(b) Careless, reckless or imprudent driving which includes, but shall not be limited to, any violation of section 304.016, any violation of section 304.010, or any other violation of federal or state law, or any county or municipal ordinance while driving a commercial motor vehicle in a willful or wanton disregard for the safety of persons or property, or improper or erratic traffic lane changes, or following the vehicle ahead too closely, but shall not include careless and imprudent driving by excessive speed;

(c) A violation of any federal or state law or county or municipal ordinance regulating the operation of motor vehicles arising out of an accident or collision which resulted in death to any person, other than a parking violation;

(d) Driving a commercial motor vehicle without obtaining a commercial driver's license in violation of any federal or state or county or municipal ordinance;

(e) Driving a commercial motor vehicle without a commercial driver's license in the driver's possession in violation of any federal or state or county or municipal ordinance. Any individual who provides proof to the court which has jurisdiction over the issued citation that the individual held a valid commercial driver's license on the date that the citation was issued shall not be guilty of this offense;

(f) Driving a commercial motor vehicle without the proper commercial driver's license class or endorsement for the specific vehicle group being operated or for the passengers or type of cargo being transported in violation of any federal or state law or county or municipal ordinance; or

(g) Any other violation of a federal or state law or county or municipal ordinance regulating the operation of motor vehicles, other than a parking violation, as prescribed by the secretary by regulation;

[(31)**]** **(39)** "State", a state**[**, territory or possession**]** of the United States**[**, the District of Columbia, the Commonwealth of Puerto Rico, Mexico, and any province of Canada**]**;

[(32)**]** **(40)** "United States", the fifty states and the District of Columbia.

302.768. 1. Any applicant for a commercial driver's license or commercial driver's instruction permit shall comply with the Federal Motor Carrier Safety Administration application requirements of 49 CFR Part 383.71 by certifying to one of the following applicable statements relating to federal and state driver qualification rules:

(1) Nonexcepted interstate: Certifies the applicant is a driver operating or expecting to operate in interstate or foreign commerce, or is otherwise subject to and meets requirements of 49 CFR Part 391 and is required to obtain a medical examiner's certificate as defined in 49 CFR Part 391.45;

(2) Excepted interstate: Certifies the applicant is a driver operating or expecting to operate entirely in interstate commerce that is not subject to Part 391 and is subject to Missouri driver qualifications and not required to obtain a medical examiner's certificate;

(3) Nonexcepted intrastate: Certifies the applicant is a driver operating only in intrastate commerce and is subject to Missouri driver qualifications;

(4) Excepted intrastate: Certifies the applicant operates or expects to operate only in intrastate commerce, and engaging only in operations excepted from all parts of the Missouri driver qualification requirements.

2. Any applicant who cannot meet certification requirements under one of the categories defined in subsection 1 of this section shall be denied issuance of a commercial driver's license or commercial driver's instruction permit.

3. An applicant certifying to operation in nonexcepted interstate or nonexcepted intrastate commerce shall provide the state with an original or copy of a current medical examiners certificate or a medical examiners certificate accompanied by a medical variance or waiver. The state shall retain the original or copy of the documentation of physical qualification for a minimum of three years beyond the date the certificate was issued.

4. Applicants certifying to operation in nonexcepted interstate commerce or nonexcepted intrastate commerce shall provide an updated medical certificate or variance documents to maintain a certified status during the term of the commercial driver's license or commercial driver's instruction permit in order to retain commercial privileges.

5. The director shall post the medical examiners certificate of information, medical variance if applicable, the applicant's self-certification and certification status to the Missouri driver record within ten calendar days and such information will become part of the CDLIS driver record.

6. Applicants certifying to operation in nonexcepted interstate commerce or nonexcepted intrastate commerce who fail to provide or maintain a current medical examiners certificate, or if the state has received notice of a medical variance or waiver expiring or being rescinded, the state shall, within ten calendar days, update the driver's medical certification status to "not certified". The state shall notify the driver of the change

in certification status and require the driver to annually comply with requirements for a commercial driver's license downgrade within sixty days of the expiration of the applicant certification.

7. The department of revenue may, by rule, establish the cost and criteria for submission of updated medical certification status information as required under this section.

8. Any person who falsifies any information in an application for or update of medical certification status information for a commercial driver's license shall not be licensed to operate a commercial motor vehicle, or the person's commercial driver's license shall be canceled for a period of one year after the director discovers such falsification.

9. The director may promulgate rules and regulations necessary to administer and enforce this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be invalid and void.

Section B. The repeal and reenactment of section 302.700 and the enactment of section 302.768 of this act shall become effective on the date the director of the department of revenue begins accepting commercial driver license medical certifications under sections 302.700 and 302.768, or on May 1, 2013, whichever occurs first. If the director of revenue begins accepting commercial driver license medical certifications under sections 302.700 and 302.768 prior to May 1, 2013, the director of the department of revenue shall notify the revisor of statutes of such fact."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Long, **House Amendment No. 6** was adopted.

Representative Korman offered **House Amendment No. 7**.

House Amendment No. 7

AMEND Senate Bill No. 564, Page 1, Title, Lines 3-5, by deleting all of said lines and inserting in lieu thereof the phrase "to transportation."; and

Further amend said bill and page, Section A, Line 2, by inserting after all of said section and line, the following:

"142.869. 1. The tax imposed by this chapter shall not apply to passenger motor vehicles, buses as defined in section 301.010, or commercial motor vehicles registered in this state which are powered by alternative fuel**[**,**]** **or hydrogen** and for which a valid **alternative fuel** decal has been acquired as provided in this section. The owners or operators of such motor vehicles shall, in lieu of the tax imposed by section 142.803, pay an annual alternative fuel decal fee as follows: **[**seventy-five**]** **one hundred forty** dollars on each passenger motor vehicle, school bus as defined in section 301.010, and commercial motor vehicle with a licensed gross vehicle weight of eighteen thousand pounds or less; one hundred **eighty-five** dollars on each motor vehicle with a licensed gross weight in excess of eighteen thousand pounds but not more than thirty-six thousand pounds used for farm or farming transportation operations and registered with a license plate designated with the letter "F"; **[**one**]** **two** hundred **[**fifty**]** **eighty** dollars on each motor vehicle with a licensed gross vehicle weight in excess of eighteen thousand pounds but less than or equal to thirty-six thousand pounds, and each passenger-carrying motor vehicle subject to the registration fee provided in sections 301.059, 301.061 and 301.063; **[**two**]** **four** hundred **[**fifty**]** **seventy** dollars on each motor vehicle with a licensed gross weight in excess of thirty-six thousand pounds used for farm or farming transportation operations and registered with a license plate designated with the letter "F"; and one thousand **eight hundred eighty** dollars on each motor vehicle with a licensed gross vehicle weight in excess of thirty-six thousand pounds. Notwithstanding provisions of this section to the contrary, motor vehicles licensed as historic under section 301.131 which are powered by alternative fuel shall be exempt from both the tax imposed by this chapter and the alternative fuel decal requirements of this section.

2. Except interstate fuel users and vehicles licensed under a reciprocity agreement as defined in section 142.617, the tax imposed by section 142.803 shall not apply to motor vehicles registered outside this state which are powered by alternative fuel, and for which a valid temporary alternative fuel decal has been acquired as provided in this

section. The owners or operators of such motor vehicles shall, in lieu of the tax imposed by section 142.803, pay a temporary alternative fuel decal fee of **[**eight**]** **twelve** dollars on each such vehicle. Such decals shall be valid for a period of fifteen days from the date of issuance and shall be attached to the lower right-hand corner of the front windshield on the motor vehicle for which it was issued. Such **temporary** decal and fee shall not be transferable. **[**All proceeds from such decal fees shall be deposited as specified in section 142.345.**]** Alternative fuel dealers selling such decals in accordance with rules and regulations prescribed by the director shall be allowed to retain fifty cents for each decal fee timely remitted to the director.

3. The director shall annually, on or before January thirty-first of each year, collect or cause to be collected from owners or operators of the motor vehicles specified in subsection 1 of this section the annual decal fee. Applications for such decals shall be **created and** supplied by the department of revenue. In the case of a motor vehicle which is not in operation by January thirty-first of any year, a decal may be purchased for a fractional period of such year, and the amount of the decal fee shall be reduced by one-twelfth for each complete month which shall have elapsed since the beginning of such year.

4. Upon the payment of the fee required by subsection 1 of this section, the director shall issue a decal, which shall be valid for the current calendar year and shall be attached to the lower right-hand corner of the front windshield on the motor vehicle for which it was issued.

5. The decal fee paid pursuant to subsection 1 of this section for each motor vehicle shall be transferable upon a change of ownership of the motor vehicle and, if the LP gas or natural gas equipment is removed from a motor vehicle upon a change of ownership and is reinstalled in another motor vehicle, upon such reinstallation. Such transfers shall be accomplished in accordance with rules and regulations promulgated by the director.

6. It shall be unlawful for any person to operate a motor vehicle required to have an alternative fuel decal upon the highways of this state without a valid decal.

7. No person shall cause to be put, or put, LP gas or natural gas into the fuel supply receptacle of a motor vehicle required to have an alternative fuel decal unless the motor vehicle has a valid decal attached to it. Sales of fuel placed in the supply receptacle of a motor vehicle displaying such decal shall be recorded upon an invoice, which invoice shall include the decal number, the motor vehicle license number and the number of gallons placed in such supply receptacle.

8. Any person violating any provision of this section is guilty of an infraction and shall, upon conviction thereof, be fined five hundred dollars.

9. Motor vehicles displaying a valid alternative fuel decal are exempt from the licensing and reporting requirements of this chapter.

10. For all new alternative fuel or hydrogen-powered vehicles assembled in Missouri, the first year's decal fee shall be one-half of the fees as proposed in this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Korman moved that **House Amendment No. 7** be adopted.

Which motion was defeated.

Representative Brattin offered **House Amendment No. 8**.

House Amendment No. 8

AMEND Senate Bill No. 564, Page 1, In the Title, Lines 3-5, by deleting all of said lines and inserting in lieu thereof the words, "to transportation."; and

Further amend said bill, Page 1, Section A, Line 2, by inserting after all of said section, the following:

"142.815. 1. Motor fuel used for the following nonhighway purposes is exempt from the fuel tax imposed by this chapter, and a refund may be claimed by the consumer, except as provided for in subdivision (1) of this subsection, if the tax has been paid and no refund has been previously issued:

(1) Motor fuel used for nonhighway purposes including fuel for farm tractors or stationary engines owned or leased and operated by any person and used exclusively for agricultural purposes and including, beginning January 1, 2006, bulk sales of one hundred gallons or more of gasoline made to farmers and delivered by the ultimate vender to a

farm location for agricultural purposes only. As used in this section, the term "farmer" shall mean any person engaged in farming in an authorized farm corporation, family farm, or family farm corporation as defined in section 350.010. At the discretion of the ultimate vender, the refund may be claimed by the ultimate vender on behalf of the consumer for sales made to farmers and to persons engaged in construction for agricultural purposes as defined in section 142.800. After December 31, 2000, the refund may be claimed only by the consumer and may not be claimed by the ultimate vender unless bulk sales of gasoline are made to a farmer after January 1, 2006, as provided in this subdivision and the farmer provides an exemption certificate to the ultimate vender, in which case the ultimate vender may make a claim for refund under section 142.824 but shall be liable for any erroneous refund;

(2) Kerosene sold for use as fuel to generate power in aircraft engines, whether in aircraft or for training, testing or research purposes of aircraft engines;

(3) Diesel fuel used as heating oil, or in railroad locomotives or any other motorized flanged-wheel rail equipment, or used for other nonhighway purposes other than as expressly exempted pursuant to another provision.

2. Subject to the procedural requirements and conditions set out in this chapter, the following uses are exempt from the tax imposed by section 142.803 on motor fuel, and a deduction or a refund may be claimed:

(1) Motor fuel for which proof of export is available in the form of a terminal-issued destination state shipping paper and which is either:

(a) Exported by a supplier who is licensed in the destination state or through the bulk transfer system;

(b) Removed by a licensed distributor for immediate export to a state for which all the applicable taxes and fees (however nominated in that state) of the destination state have been paid to the supplier, as a trustee, who is licensed to remit tax to the destination state; or which is destined for use within the destination state by the federal government for which an exemption has been made available by the destination state subject to procedural rules and regulations promulgated by the director; or

(c) Acquired by a licensed distributor and which the tax imposed by this chapter has previously been paid or accrued either as a result of being stored outside of the bulk transfer system immediately prior to loading or as a diversion across state boundaries properly reported in conformity with this chapter and was subsequently exported from this state on behalf of the distributor; The exemption pursuant to paragraph (a) of this subdivision shall be claimed by a deduction on the report of the supplier which is otherwise responsible for remitting the tax upon removal of the product from a terminal or refinery in this state. The exemption pursuant to paragraphs (b) and (c) of this subdivision shall be claimed by the distributor, upon a refund application made to the director within three years. A refund claim may be made monthly or whenever the claim exceeds one thousand dollars;

(2) Undyed K-1 kerosene sold at retail through dispensers which have been designed and constructed to prevent delivery directly from the dispenser into a vehicle fuel supply tank, and undyed K-1 kerosene sold at retail through nonbarricaded dispensers in quantities of not more than twenty-one gallons for use other than for highway purposes. Exempt use of undyed kerosene shall be governed by rules and regulations of the director. If no rules or regulations are promulgated by the director, then the exempt use of undyed kerosene shall be governed by rules and regulations of the Internal Revenue Service. A distributor or supplier delivering to a retail facility shall obtain an exemption certificate from the owner or operator of such facility stating that its sales conform to the dispenser requirements of this subdivision. A licensed distributor, having obtained such certificate, may provide a copy to his or her supplier and obtain undyed kerosene without the tax levied by section 142.803. Having obtained such certificate in good faith, such supplier shall be relieved of any responsibility if the fuel is later used in a taxable manner. An ultimate vendor who obtained undyed kerosene upon which the tax levied by section 142.803 had been paid and makes sales qualifying pursuant to this subsection may apply for a refund of the tax pursuant to application, as provided in section 142.818, to the director provided the ultimate vendor did not charge such tax to the consumer;

(3) Motor fuel sold to the United States or any agency or instrumentality thereof. This exemption shall be claimed as provided in section 142.818;

(4) Motor fuel used solely and exclusively as fuel to propel motor vehicles on the public roads and highways of this state when leased or owned and when being operated by a federally recognized Indian tribe in the performance of essential governmental functions, such as providing police, fire, health or water services. The exemption for use pursuant to this subdivision shall be made available to the tribal government upon a refund application stating that the motor fuel was purchased for the exclusive use of the tribe in performing named essential governmental services;

(5) That portion of motor fuel used to operate equipment attached to a motor vehicle, if the motor fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir for travel on a highway and for the operation of equipment, or if the motor fuel was placed in a separate fuel tank and used only for the operation of auxiliary equipment. The exemption for use pursuant to this subdivision shall be claimed by a refund claim filed by the consumer who shall provide evidence of an allocation of use satisfactory to the director;

(6) Motor fuel acquired by a consumer out-of-state and carried into this state, retained within and consumed from the same vehicle fuel supply tank within which it was imported, except interstate motor fuel users;

(7) Motor fuel which was purchased tax-paid and which was lost or destroyed as a direct result of a sudden and unexpected casualty or which had been accidentally contaminated so as to be unsalable as highway fuel as shown by proper documentation as required by the director. The exemption pursuant to this subdivision shall be refunded to the person or entity owning the motor fuel at the time of the contamination or loss. Such person shall notify the director in writing of such event and the amount of motor fuel lost or contaminated within ten days from the date of discovery of such loss or contamination, and within thirty days after such notice, shall file an affidavit sworn to by the person having immediate custody of such motor fuel at the time of the loss or contamination, setting forth in full the circumstances and the amount of the loss or contamination and such other information with respect thereto as the director may require;

(8) Dyed diesel fuel or dyed kerosene used for an exempt purpose. This exemption shall be claimed as follows:

(a) A supplier or importer shall take a deduction against motor fuel tax owed on their monthly report for those gallons of dyed diesel fuel or dyed kerosene imported or removed from a terminal or refinery destined for delivery to a point in this state as shown on the shipping papers;

(b) This exemption shall be claimed by a deduction on the report of the supplier which is otherwise responsible for remitting the tax on removal of the product from a terminal or refinery in this state;

(c) This exemption shall be claimed by the distributor, upon a refund application made to the director within three years. A refund claim may be made monthly or whenever the claim exceeds one thousand dollars.

3. Motor fuel used in any watercraft, as such term is defined in section 306.010, is exempt from the fuel tax imposed by this chapter, and no such tax shall be imposed or levied on any motor fuel delivered to any marina or other retailer within this state who sells such fuel solely for use in any watercraft in this state. Any distributor who delivers motor fuel to any marina located in this state for use only in a watercraft may also claim the exemption provided in this subsection.

144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a useable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(5) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(6) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(7) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(9) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(10) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(11) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(12) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (4) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(13) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(14) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(16) Tangible personal property purchased by a rural water district;

(17) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation;

(18) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which

may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(19) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all elementary and secondary schools operated at public expense in their educational functions and activities;

(20) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (19) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(21) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(22) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;

(b) Used on land owned or leased for the purpose of producing farm products; and

(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(23) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for

common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(24) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(27) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(28) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(29) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(30) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(31) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (4) of this subsection;

(32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(33) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(34) All sales of grain bins for storage of grain for resale;

(35) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(36) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is

exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(37) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(38) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event;

(39) All purchases by a sports complex authority created under section 64.920, and all sales of utilities by such authority at the authority's cost that are consumed in connection with the operation of a sports complex leased to a professional sports team;

(40) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

(41) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar places of business for use in the normal course of business and money received by a shooting range or similar places of business from patrons and held by a shooting range or similar place of business for redistribution to patrons at the conclusion of a shooting event**[**.**];**

(42) All sales of motor fuel, as defined in section 142.800, used in any watercraft, as defined in section 306.010."; and

Further amend said bill by amending the title, enacting clause, and intersectional reference accordingly.

On motion of Representative Brattin, **House Amendment No. 8** was adopted.

On motion of Representative Davis, **SB 564, as amended**, was read the third time and passed by the following vote:

AYES: 145

Allen	Anders	Asbury	Atkins	Aull
Bahr	Barnes	Bernskoetter	Berry	Black
Brandom	Brattin	Brown 50	Brown 85	Brown 116
Burlison	Carter	Casey	Cauthorn	Cierpiot
Colona	Conway 14	Conway 27	Cookson	Cox
Crawford	Cross	Davis	Denison	Dugger
Ellinger	Ellington	Elmer	Entlicher	Fallert
Fisher	Fitzwater	Flanigan	Fraker	Franklin
Franz	Frederick	Fuhr	Gatschenberger	Gosen
Grisamore	Guernsey	Haefner	Hampton	Harris
Higdon	Hinson	Hodges	Holsman	Hoskins
Hough	Houghton	Hummel	Johnson	Jones 89
Jones 117	Kander	Keeney	Kelley 126	Kelly 24
Klippenstein	Koenig	Korman	Kratky	Lair

Lant	Largent	Lasater	Leach	Leara
Lichtenegger	Loehner	Long	Marshall	May
McCaherty	McCann Beatty	McDonald	McGeoghegan	McGhee
McManus	McNary	Meadows	Molendorp	Montecillo
Morgan	Nance	Nasheed	Neth	Newman
Nichols	Nolte	Oxford	Pace	Parkinson
Phillips	Pierson	Pollock	Quinn	Redmon
Reiboldt	Richardson	Riddle	Rizzo	Rowland
Ruzicka	Schad	Schatz	Schieber	Schieffer
Schneider	Schoeller	Shively	Shumake	Sifton
Silvey	Smith 71	Smith 150	Solon	Sommer
Spreng	Still	Stream	Swearingen	Swinger
Taylor	Thomson	Torpey	Wallingford	Walton Gray
Webb	Webber	Wells	Weter	White
Wieland	Wright	Wyatt	Zerr	Mr Speaker

NOES: 006

Carlson	Curtman	Kirkton	McCreery	McNeil
Schupp				

PRESENT: 000

ABSENT WITH LEAVE: 012

Day	Dieckhaus	Diehl	Funderburk	Hubbard
Hughes	Jones 63	Lampe	Lauer	Sater
Scharnhorst	Talboy			

Speaker Pro Tem Schoeller declared the bill passed.

Speaker Tilley resumed the Chair.

MESSAGES FROM THE SENATE

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS HCS HB 2001**, entitled:

An act to appropriate money to the Board of Fund Commissioners for the cost of issuing and processing State Water Pollution Control Bonds, Stormwater Control Bonds, Third State Building Bonds, and Fourth State Building Bonds, as provided by law, to include payments from the Water Pollution Control Bond and Interest Fund, Stormwater Control Bond and Interest Fund, Third State Building Bond Interest and Sinking Fund, Fourth State Building Bond and Interest Fund, Water Pollution Control Fund, and Stormwater Control Fund, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds of these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2002**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the State Board of Education and the Department of Elementary and Secondary Education, and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2003**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Higher Education, the several divisions, programs, and institutions of higher education included therein to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2004**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Revenue, Department of Transportation and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2005**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Office of Administration, the Department of Transportation, the Department of Conservation, the Department of Public Safety, the Chief Executive's Office, and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2006**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Agriculture, Department of Natural Resources, Department of Conservation, and the several divisions and programs thereof and for the expenses, grants, refunds, distributions, and capital improvements projects involving the repair, replacement, and maintenance of state buildings and facilities of the Department of Natural Resources and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds, for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

With Senate Amendment No. 1.

Senate Amendment No. 1

AMEND Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2006, Page 14, Section 6.285, Line 4, by striking the number "$21,205,230" and inserting in lieu thereof the number "$20,905,230"; and

Further amend said section, Page 15, Line 38, by striking the number "660.71" and inserting in lieu thereof of the following number "659.71"; and

Further amend all totals accordingly.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2007**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Economic Development, Department of Insurance, Financial Institutions and Professional Registration, Department of Labor and Industrial Relations, and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2008**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Public Safety and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2009**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Corrections and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2010**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Department of Mental Health, the Department of Health and Senior Services, and the several divisions and programs thereof, and the Missouri Health Facilities Review Committee to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2011**, entitled:

An act to appropriate money for the expenses, grants, and distributions of the Department of Social Services and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

With Senate Amendment No. 1 and Senate Amendment No. 2.

Senate Amendment No. 1

AMEND Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2011, Page 26, Section 11.495, Lines 12-20, by striking all of said lines and inserting in lieu thereof the following:

"with Section 191.710, RSMo";

Senate Amendment No. 2

AMEND Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2011, Page 8, Section 11.128, Lines 3-10, by striking all of said lines and inserting in lieu thereof the following:

"For the purpose of funding healthcare benefits for non-Medicaid eligible blind individuals who receive the Missouri Blind Pension cash grant"; and

Further amend said page, Section 11.128, Line 14, by inserting immediately after said line the following new section:

"Section 11.129. To the Department of Social Services
There is hereby transferred out of the State Treasury, chargeable to the General Revenue Fund, to the
Blind Pension Premium Fund
From General Revenue. . . . . $8,632,576"; and

Further amend all totals accordingly.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2012**, entitled:

An act to appropriate money for the expenses, grants, refunds, and distributions of the Chief Executive's Office and Mansion, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, Attorney General, Missouri Prosecuting Attorneys and Circuit Attorneys Retirement Systems, and the Judiciary and the Office of the State Public Defender, and the several divisions and programs thereof, and for the payment of salaries and mileage of members of the State Senate and the House of Representatives and contingent expenses of the General Assembly, including salaries and expenses of elective and appointive officers and necessary capital improvements expenditures; for salaries and expenses of members and employees and other necessary operating expenses of the Committee on Legislative Research, various joint committees, for the expenses of the interim committees established by the General Assembly, and to transfer money among certain funds, to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, for the period beginning July 1, 2012 and ending June 30, 2013.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SS SCS HCS HB 2013**, entitled:

An act to appropriate money for real property leases, related services, utilities, systems furniture, structural modifications, and related expenses for the several departments of state government and the divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to appropriate money for capital improvements and the other expenses of the Office of Administration and the divisions and programs thereof, and to transfer money among certain funds for the period beginning July 1, 2012 and ending June 30, 2013; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **HCS HB 2014**.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate refuses to concur in **HCS SB 568, as amended**, and requests the House to recede from its position and, failing to do so, grant the Senate a conference thereon.

SIGNING OF HOUSE BILL

All other business of the House was suspended while **HCS HB 2014** was read at length and, there being no objection, was signed by the Speaker to the end that the same may become law.

Having been duly signed in open session of the Senate, **HCS HB 2014** was delivered to the Governor by the Chief Clerk of the House.

Speaker Pro Tem Schoeller resumed the Chair.

REFERRAL OF SENATE BILL

The following Senate Bill was referred to the Committee indicated:

SS SB 742 - Health Care Policy

COMMITTEE REPORTS

Committee on Crime Prevention and Public Safety, Chairman Schad reporting:

Mr. Speaker: Your Committee on Crime Prevention and Public Safety, to which was referred **SS SCS SB 689**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Committee on Economic Development, Chairman Zerr reporting:

Mr. Speaker: Your Committee on Economic Development, to which was referred **HB 1728**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Committee on Elementary and Secondary Education, Chairman Dieckhaus reporting:

Mr. Speaker: Your Committee on Elementary and Secondary Education, to which was referred **SB 599**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Committee on Emerging Issues in Animal Agriculture, Chairman Wright reporting:

Mr. Speaker: Your Committee on Emerging Issues in Animal Agriculture, to which was referred **SCS SB 566**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Committee on Transportation, Chairman Denison reporting:

Mr. Speaker: Your Committee on Transportation, to which was referred **SS SCS SB 470**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Mr. Speaker: Your Committee on Transportation, to which was referred **SS SB 665**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Mr. Speaker: Your Committee on Transportation, to which was referred **SCS SB 673**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

Committee on Veterans, Chairman Day reporting:

Mr. Speaker: Your Committee on Veterans, to which was referred **SCS SB 715**, begs leave to report it has examined the same and recommends that it **Do Pass**, and pursuant to Rule 25(32)(f) be referred to the Committee on Rules.

ADJOURNMENT

On motion of Representative Jones (89), the House adjourned until 10:00 a.m., Thursday, April 26, 2012.

COMMITTEE MEETINGS

APPROPRIATIONS - HEALTH, MENTAL HEALTH, AND SOCIAL SERVICES
Wednesday, May 2, 2012, 8:00 AM House Hearing Room 3.
Executive session may be held on any matter referred to the committee.
Continued discussion of DSS policies and procedures

CRIME PREVENTION AND PUBLIC SAFETY
Thursday, April 26, 2012, 9:00 AM House Hearing Room 3.
Executive session may be held on any matter referred to the committee.

DOWNSIZING STATE GOVERNMENT
Thursday, April 26, 2012, 9:00 AM House Hearing Room 4.
Public hearing will be held: HCR 57, HB 2106
Executive session may be held on any matter referred to the committee.
AMENDED

FISCAL REVIEW
Thursday, April 26, 2012, 9:00 AM South Gallery.
Executive session may be held on any matter referred to the committee.
Any bills referred to the committee

JOINT COMMITTEE ON PUBLIC EMPLOYEE RETIREMENT
Thursday, April 26, 2012, 9:00 AM House Hearing Room 6.
Executive session may be held on any matter referred to the committee.
2nd quarter meeting
AMENDED

RULES
Thursday, April 26, 2012, 9:35 AM House Hearing Room 2.
Public hearing will be held: HR 959, HR 1773
Executive session will be held: HR 959, HR 1773

RULES - PURSUANT TO RULE 25(32)(F)
Thursday, April 26, 2012, 9:35 AM House Hearing Room 2.
Executive session will be held: HCS#2 HB 1213, HB 1357, HCS HB 1526, HCS HB 1585, HCS HB 1846, HCS HB 1971, HCS HB 1988, HCS SB 455, HCS SS SCS SB 467, HCS SCS SB 480, HCS SCS SB 498, HCS SB 578, HCS SCS SB 655
Executive session may be held on any or all bills referred to this committee

SPECIAL STANDING COMMITTEE ON GOVERNMENT OVERSIGHT AND ACCOUNTABILITY
Monday, April 30, 2012, 12:00 PM House Hearing Room 5.
Public hearing will be held: SCS SB 856
Executive session may be held on any matter referred to the committee.

SPECIAL STANDING COMMITTEE ON JUDICIAL REFORM
Tuesday, May 1, 2012, 1:00 PM House Hearing Room 3.
Executive session may be held on any matter referred to the committee.
Executive session on previously referred bills

TOURISM AND NATURAL RESOURCES
Thursday, April 26, 2012, 8:00 AM House Hearing Room 7.
Public hearing will be held: SCR 25, SS SCR 16, SCS SCR 17, HR 1880
Executive session may be held on any matter referred to the committee.

WAYS AND MEANS
Thursday, April 26, 2012, 8:30 AM House Hearing Room 5.
Public hearing will be held: HB 1673, HB 1478, HB 1976

HOUSE CALENDAR

SIXTY-THIRD DAY, THURSDAY, APRIL 26, 2012

HOUSE JOINT RESOLUTIONS FOR PERFECTION

HCS HJR 89 - Schoeller

HOUSE BILLS FOR PERFECTION

1 HCS HB 1198 - Fisher
2 HCS HB 1275 - Koenig
3 HB 1718 - Scharnhorst (2 hours debate on Perfection)
4 HCS HB 1049 - Allen
5 HCS HB 1210, as amended - Gatschenberger
6 HCS HB 1795 - Ruzicka
7 HCS HB 1803 - Korman
8 HCS HB 1966 - Burlison
9 HCS HB 1328 - Cox
10 HB 1779 - Flanigan
11 HCS HB 1794 - Grisamore
12 HCS HB 1854 - Grisamore
13 HCS HB 1754 - Cox
14 HCS HB 1815 - Pollock
15 HB 1842 - Lant
16 HCS HB 1900 - Redmon
17 HCS HB 1922 - Molendorp
18 HCS HB 1935 - Franz
19 HB 2063 - Denison
20 HCS HB 2100 - Denison
21 HCS HB 1709 - Hough
22 HCS HB 1710 - Hough
23 HCS HBs 1076 & 1302 - Wyatt
24 HCS HB 1245 - Lauer
25 HCS#2 HB 1358 - Gatschenberger
26 HCS HB 1397 - Gatschenberger
27 HCS HBs 1542 & 1101 - Koenig

HOUSE JOINT RESOLUTIONS FOR THIRD READING

HCS HJR 61 - Loehner

HOUSE BILLS FOR THIRD READING

1 HB 1277 - Long
2 HCS HBs 1298 & 1180 - Parkinson
3 HB 1431 - Hoskins
4 HB 1066 - McGhee
5 HCS HB 1117 - Brown (50)
6 HCS#2 HB 1475 - Cross
7 HB 1592 - Jones (89)
8 HCS HB 1758 - Long
9 HCS HB 1280 - Korman
10 HCS HBs 1741 & 1543 - Leara
11 HCS HB 1137 - Lauer
12 HCS HB 1818 - Schad
13 HB 1455 - Gatschenberger
14 HCS HB 1869, E.C. - Dugger
15 HB 1540 - Jones (89)
16 HCS HB 1865 - Barnes
17 HCS HB 1254 - Klippenstein
18 HB 2099 - Elmer

SENATE BILLS FOR THIRD READING

1 HCS SCS SB 569 - Dugger
2 SB 611 - Stream
3 SS SCS SB 719, E.C. - Brown (116)
4 HCS SCS SB 562, E.C. - Thomson

HOUSE BILLS WITH SENATE AMENDMENTS

1 SS HCS HB 1106, as amended - Dugger
2 SS HCS HB 2001 - Silvey
3 SS SCS HCS HB 2002 - Silvey
4 SS SCS HCS HB 2003 - Silvey
5 SS SCS HCS HB 2004 - Silvey
6 SS SCS HCS HB 2005 - Silvey
7 SS SCS HCS HB 2006, as amended - Silvey
8 SS SCS HCS HB 2007 - Silvey
9 SS SCS HCS HB 2008 - Silvey
10 SS SCS HCS HB 2009 - Silvey
11 SS SCS HCS HB 2010 - Silvey
12 SS SCS HCS HB 2011, as amended - Silvey
13 SS SCS HCS HB 2012 - Silvey
14 SS SCS HCS HB 2013 - Silvey

BILLS CARRYING REQUEST MESSAGES

HCS SB 568, as amended (request House recede/grant conference), E.C. - Franz

SENATE CONCURRENT RESOLUTIONS

SCR 28 - Diehl

HOUSE RESOLUTIONS

HR 1365 - Bahr

HOUSE BILLS VETOED FROM SECOND REGULAR SESSION

HB 1219 - Elmer

SENATE BILLS VETOED FROM SECOND REGULAR SESSION

SS SCS SB 572 - Richardson