

# JOURNAL OF THE HOUSE

First Regular Session, 102nd GENERAL ASSEMBLY

SIXTH DAY, THURSDAY, JANUARY 12, 2023

The House met pursuant to adjournment.

Representative Marquart in the Chair.

There was a moment of silent prayer.

The Pledge of Allegiance to the flag was recited.

## INTRODUCTION OF HOUSE JOINT RESOLUTIONS

The following House Joint Resolution was read the first time and copies ordered printed:

**HJR 45**, introduced by Representative Keathley, relating to residential property tax valuation assessments.

## INTRODUCTION OF HOUSE BILLS

The following House Bills were read the first time and copies ordered printed:

**HB 774**, introduced by Representative Gragg, relating to cave inspection fees.

**HB 775**, introduced by Representative Coleman, relating to nursing education.

**HB 776**, introduced by Representative Cook, relating to privileged information.

**HB 777**, introduced by Representative Van Schoiack, relating to certificates of need.

**HB 778**, introduced by Representative Evans, relating to motor fuel tax refunds.

**HB 779**, introduced by Representative Bromley, relating to the extension of fees for programs within the department of natural resources.

**HB 780**, introduced by Representative McGaugh, relating to qualifications for petition circulators.

**HB 781**, introduced by Representative McGaugh, relating to elections, with penalty provisions.

**HB 782**, introduced by Representative McGaugh, relating to newspapers.

**HB 783**, introduced by Representative McGaugh, relating to elections, with penalty provisions.

## **SECOND READING OF HOUSE CONCURRENT RESOLUTIONS**

The following House Concurrent Resolution was read the second time:

**HCR 5**, relating to country-of-origin labeling of food.

## **SECOND READING OF HOUSE BILLS**

The following House Bills were read the second time:

**HB 755**, relating to inducing the death of dogs and cats, with a penalty provision.

**HB 756**, relating to hand-held electronic wireless communications devices, with penalty provisions.

**HB 757**, relating to assistant physicians.

**HB 758**, relating to fees paid by offenders.

**HB 759**, relating to earned wage access services registration, with a penalty provision.

**HB 760**, relating to higher education tuition.

**HB 761**, relating to political party committee members.

**HB 762**, relating to reverse keyword and reverse location searches.

**HB 763**, relating to the Missouri commission on human rights.

**HB 764**, relating to virtual currency, with penalty provisions.

**HB 765**, relating to the prevention of violent crimes, with penalty provisions.

**HB 766**, relating to marijuana facilities.

**HB 767**, relating to the statute of frauds.

**HB 768**, relating to funding for elementary and secondary schools.

**HB 769**, relating to public employee retirement systems.

**HB 770**, relating to restriction on actions by state agencies.

**HB 771**, relating to public safety sales taxes, with an emergency clause.

**HB 772**, relating to political subdivisions.

**HB 773**, relating to nursing home administrators.

## MESSAGES FROM THE SENATE

The President Pro Tem has appointed a committee to act with a like committee from the House pursuant to **HCR 1**.

Senators: Crawford, Eslinger, Gannon, Thompson Rehder, Hough, Arthur, May, McCreery, Mosley, and Washington

## REPORT OF THE JOINT COMMITTEE ON AGRICULTURE

December 31, 2022

Rob Vescovo, Speaker  
House of Representatives  
State Capitol Building  
Jefferson City, MO 65101

Dave Schatz, President Pro Tempore  
Missouri Senate  
State Capitol Building  
Jefferson City, MO 65101

Dear Mister Speaker and Mister President Pro Tempore:

The Joint Committee on Agriculture has met, taken testimony, deliberated and concluded its review of the four areas expressly laid out in Senate Bill 391, which passed in 2019. The below listed committee members are pleased to submit the attached report:

/s/ Representative Mike Haffner, Co Chairman  
/s/ Representative Rick Francis  
/s/ Representative Kent Haden  
/s/ Representative Ian Mackey  
/s/ Representative Emily Weber  
/s/ Chris Chinn, Department of Agriculture

/s/ Senator Justin Brown, Co Chairman  
/s/ Senator Mike Bernskoetter  
/s/ Senator Sandy Crawford  
/s/ Senator Doug Beck  
/s/ Senator Greg Razer  
/s/ Dru Buntin, Department of Natural Resources

Sincerely,

/s/ Representative Mike Haffner, Committee Co-Chair

/s/ Senator Justin Brown, Committee Co-Chair

### INTRODUCTION

In the 2019 session, the General Assembly passed Senate Bill 391, sponsored by Senator Mike Bernskoetter, which modified the laws relating to agricultural operations. The bill also established the "Joint Committee on Agriculture." The joint committee met and issued a report in 2020 and 2021 and has continued its efforts in 2022.

The joint committee is tasked with studying the economic impact of the agricultural industry in the state, the industry's ongoing efforts to improve environmental stewardship while also improving the economic sustainability of agriculture, ways to incentivize members of the industry to adopt best practices to address Missouri's carbon footprint, and the public's views on agricultural issues in general. As required by the legislation, the joint committee must issue a report by January 15 of each year. In 2022, the joint committee continued to build on the work it had completed the preceding two years. The joint committee held two public hearings on June 22 and October 4, 2022, in Jefferson City.

## SUMMARY OF PUBLIC TESTIMONY

### I. June 22, 2022 Hearing

At the June 22, 2022, hearing in Jefferson City, the joint committee heard testimony from representatives of different sectors of the agriculture industry. Most of the testimony spoke to the challenges the agriculture industry faces.

Dr. Scott Brown, from the University of Missouri's Food and Agricultural Policy Research Institute, discussed the effects of the 2019 tariffs, Covid-19, and other world events on the trade of agricultural and other products. He also discussed how the strength of the dollar has made U.S. products more expensive in comparison to other countries with similar products. A copy of his presentation can be found in Appendix B.

Tony Clayton, with Clayton Agri-Marketing in Jefferson City, gave testimony on how regulatory hurdles and the administrative policies of other countries, especially China, have affected the livestock export industry. Clayton discussed the impact of changes in other associated industries on exporters' ability to transport animals throughout the country and the world. He discussed how animal disease and testing of animals can affect the timing and cost of transporting animals; and the benefits of detailed animal tracking when exporting animals to foreign nations. A copy of his presentation can be found in Appendix C.

Casey Wasser with Missouri Soybean Association spoke to the committee about the Net Import Study authored by the University of Missouri. Nationwide, 45 percent of the soybean crop is exported. Due to the drop in soybean prices due to Chinese tariffs, the Soybean Merchandising Council is looking at ways to capture added value of soybeans with the goal of being a net importer of soybeans. In an effort to capture the value, a new soybean crushing operation is locating in southeast Missouri, and will be approximately one-third larger than other facilities currently operating in the state.

Wasser spoke about the importance of Missouri Agricultural and Small Business Development Authority (MASBDA) programs to the industry. He mentioned the potential of aquaculture in Missouri and its use of soybean meal. In addition, he spoke to the effect of the California Air Resources Board "carbon intensity score" on the soybean industry due to land use change penalties for biodiesel.

Mike Deering from the Missouri Cattlemens Association spoke regarding the cattle industries increased cost of inputs and reduced margins. The association also spoke to the need to build on the changes to eminent domain laws passed in the 2022 legislative session. The Cattlemens Association believes that the General Assembly needs to work together to strengthen protections for landowners. Other issues that the association deem as pressing are rural healthcare and mental healthcare availability. Suicide rates in rural areas have increased in recent years and resources need to be available for residents in need of such services.

Deering also spoke about the need for beginning farmer programs. He believes that one of the biggest threats to the industry is the average age of the farmer. No other issue will matter if there are no farmers to populate the industry. In 2015, House Bill 387 and Senate Bill 177 proposed a Beginning Farmer Center modeled after a program in Iowa. It provides a tax deduction to incentivize older farmers to work with beginning farmers. Unfortunately, it did not pass.

Bradley Schad from the Missouri Corn Growers Association testified to concerns his organization is seeing currently and predicts to run into in the future. First, his members are having trouble contracting for diesel fuel for the upcoming year due to the shortage in diesel fuel across the nation. Second, the lack of workforce facing current farmers. Younger Missourians are moving to the urban areas and not returning to rural Missouri and the farm.

Last session, the priority legislation for the Corn Growers Association was the extension of the MASBDA programs. The two-year extension passed in the 2022 legislative session disincentivizes long-term projects. The association will continue to push for a six-year extension.

Ben Travlos with Missouri Farm Bureau distributed a letter from Farm Bureau President Garrett Hawkins. This letter can be found in Appendix D. Travlos spoke about the organization's views on property rights and the need to continue to strengthen property rights and tighten the eminent domain statutes. Farm Bureau recognizes the priority of investing in rural communities and infrastructure resources.

Dale Ludwig with the Midwest Hemp Association clarified the two types of hemp and spoke to the opportunities in the state for hemp fiber. There are many types of industrial hemp plants that can be used for many different purposes. However, due to regulatory requirements, it has been hard to get farmers in the state to plant hemp plants. This is the only product that a farmer has to obtain a license to grow. One option would to allow a small number of acres to be grown without a license.

Rep. Pollitt testified before the committee to update the committee on House Bill 1720, the agricultural omnibus bill, which included the MASBDA program extensions, biodiesel and ethanol fuel tax credits and multiple other legislative priorities. Through negotiations, the tax credit program will expire in two years. The goal is to file bills in the next session to extend the sunsets to at least six years.

Rep. Sharpe testified before the committee to update the committee on House Bill 1596, the Family Farms Act. In the bill, the program was updated to reflect the true cost of raising livestock with current costs. This Act has been one of the most successful agricultural programs in the state's history.

Rep. Haden discussed with the committee his concerns regarding solar energy farms. In Calloway and Audrain counties, there are thousands of acres under contract to be taken out of agricultural production for use as solar farms. In the near future, Rep. Haden is concerned that this could be divisive in rural communities since it will affect all sectors of the agricultural industry.

Rep. Haden also provided an update on litigation arising from the passage of Senate Bill 391 in 2019 and the restrictions on county health boards. Cases are currently moving through the process with a case arising from the additional changes made in House Bill 271 in 2021 pending before the Missouri Supreme Court.

Rep. Hovis spoke to the committee about Right-to-Repair for agricultural and construction equipment. It would allow owners or certain repair shops to perform repairs on the equipment similar to those that are currently allowed on passenger vehicles.

Rep. Riggs presented to the committee regarding broadband infrastructure and the 2021 interim committee findings. Senate Bill 820, which passed in 2022, contained five recommendations from the interim committee findings, including increasing the state's standard for a community to be served by high-speed internet and creating detailed maps to determine who meets this standard.

Representatives Thompson and Owen presented to the committee information regarding the federal environment social governance policies. The current federal administration has proposed rules relating to climate change, including SEC rules that would require public companies to disclose certain information and third party verification of climate related information. The new rules would increase compliance cost and reduce market efficiency.

Finally, Representative Van Schoiack spoke to the committee about the use of drones over private property. Drones have valid uses but personal property rights need to be protected to insure their privacy is not invaded.

## **II. October 4, 2022 Hearing**

At the October 4, 2022, hearing in Jefferson City, the committee heard presentations on legislative priorities from stakeholders and representatives. Below is a list of legislative priorities presented to the committee.

**House Bill 3**

Rep. Pollitt updated the committee on the passage of House Bill 3 during the first Extraordinary Session of 2022. House Bill 3 was an omnibus agricultural economic opportunities bill that included a six-year extension of the MASBDA programs, as well as many other agricultural priorities. Rep. Pollitt thanked the agricultural stakeholders for standing together to move these priorities forward.

**Right To Repair**

Representative Barry Hovis spoke about a proposal to allow owners of products purchased or used in Missouri to have the right to access the same diagnostic and repair information that manufacturers supply to independent repair facilities and authorized repair providers. The legislation would protect proprietary information while allowing farmers to repair their own equipment.

Paul Combs, the President of Baker Implement Company, and Tom Nobbe, a partner in Sydenstricker-Nobbe partnership, spoke against the proposal to implement Right-to-Repair. Nobbe and Combs testified that customers already have access to needed resources to perform repairs, including technical manuals and diagnostic software. Dealers keep large parts inventories in order to quickly perform repairs. A major problem facing dealers is a shortage in technicians.

Darrick Steen with the Missouri Corn Growers Association and Ben Travlos from Missouri Farm Bureau testified for informational purposes. Steen spoke of the association's concerns about modifications that pose a safety concern or change emissions equipment. Travlos spoke about striking a balance to allow farmers and independent repair shops access to repair tools to reduce down time when repairs are necessary.

**Property Rights**

Co-Chairman Mike Haffner spoke regarding the changes in the 2002 legislative session to fair market value in regards to eminent domain proceedings. Haffner spoke about the Tiger Connector, part of the Grain Belt Express project, and his concerns regarding the changes in the project since the original issuance of the certificate of convenience and necessity by the Public Service Commission (PSC).

Wiley Hibbard, Ralls County Presiding Commissioner, testified about his concerns regarding the interaction between the PSC and Invenergy. He also spoke regarding the manner in which Invenergy has interacted with landowners in Ralls County and the changes in the project contrary to what the PSC approved. According to Hibbard, Invenergy has sued Chariton and Caldwell counties because the counties did not give county assent to use the county roads.

Travlos expressed Farm Bureau's appreciation for the changes to the eminent domain statutes. He also shared that the several agricultural organizations filed an application with the PSC to intervene on the Tiger Connector proposals. Farm Bureau feels that the Grain Belt express is trying to skirt around applying with the new requirements passed in 2022. Liz Henderson with the Missouri Soybean Association spoke to echo the sentiments of the Missouri Farm Bureau.

Zach Monroe with Ameren Missouri testified before the committee for informational purpose. Monroe expressed Ameren's desire for legislators, when looking at property rights and the use of eminent domain, to look at utility companies that work to keep a secure grid for the delivery of power differently than independent power suppliers such as the Grain Belt Express.

**Environmental Social Governance**

Representatives Terry Thompson and Bill Owen express their concerns about the federal government's regulations for disclosures of climate-related disclosures. The proposed rules will increase compliance costs and create confusion with investors. Public pensions in the state are concerned about their investment portfolios based on the effects of the environmental social governance programs. In addition, these programs will affect access to credit for the agricultural sector. Currently, there are 20 states working to limit environmental social governance. However, the legislature needs to be careful not to place the financial industry in a position in which federal and state laws conflict and force bankers to violate either state or federal laws.

### **Taxation of Solar Panels and Property**

Representative Kent Haden spoke about the development of large commercial solar farms in his district. In the 2022 legislative session, he and Senator Cierpoit proposed legislation to tax solar farms using a similar methodology as wind farms. Through the legislative process, the legislation changed to a task force to study the issue of taxation for solar farms. The task force must submit a report by the end of the year.

Solar farms are a great financial deal for the farmers leasing their land. However, for the communities where the solar farms are located, it removes farmland from production, reduces on-farm jobs, and affects the associated business in the community.

### **Foreign Ownership of Agricultural Land**

Representative Bill Hardwick spoke to the committee regarding foreign-ownership of food production and agricultural land and the implications that it has with our geopolitical competition, including China. Missouri needs to produce food and other goods in order to reduce the opportunity for supply chain interruptions. Missouri must look at the foothold foreign countries hold in the interest of land in the state. According to Hardwick, our geopolitical competitors are using the nation's system of capitalism to gain control of land in the state.

Hardwick spoke regarding legislation on the federal level to direct the federal Secretary of Agriculture to take regulatory steps to prevent the purchase of agricultural land and production from certain countries. Some legislative options on the state level include transparency in limited liability corporation ownership, modifying the ownership requirements for foreign ownership of corporations, changes to the definition of what is included in the definition of "foreign ownership." According to Hardwick, a legislative proposal must look at long-term national security while balancing personal property rights and free market principles.

### **Broadband**

Representative Louis Riggs updated the committee regarding high-speed broadband efforts in the state. The state Broadband Grant Program has received more than 300 applications for the first round of grant projects funded with American Rescue Plan Act (ARPA) funding. Missouri is leading the country in accountability measures for the grant program, including default reporting and claw back provisions for federal funds allocated for the state. Riggs also testified about the successful deployment of broadband in Shelby and Ralls counties and the impacts this deployment has had in the counties.

### **Katy Trail and Rock Island State Parks**

Representative Bruce Sassmann spoke to the committee regarding property rights on the Katy Trail, the Rock Island Spur of the Katy Trail, and the developing Rock Island State Park. At the implementation of the Rails-to-Trails Program at the federal level, Congress preserved the rail corridors for future use and the U.S. Supreme Court upheld the banking of this land. There is also compensation available for landowners under the Tucker Act and can be accessed through the Federal Claims Court.

Travlos of the Missouri Farm Bureau spoke in opposition to the public funds being spent on the conversion and maintenance of the new Rock Island Trail State Park. Farm Bureau believes that the state needs to be good stewards of its financial resources and take care of the current projects before entering into new projects.

Mike Sutherland with the Department of Natural Resources testified for informational purposes about the department's current and future projects. Sutherland said that Missouri is currently home to the largest Rails-to-Trails project in the nation, the Katy Trail and Rock Island Spur of the Katy Trail, as well as other Rails-to-Trails projects not maintained by the state. The department has worked with property owners along all of its projects to address landowner concerns. Sutherland provided testimony, which can be found in Appendix E.

Co-Chair Senator Justin Brown asked about the department's appropriations request for the Rock Island State Park in the 2022 legislative session in relation to the backlog of projects at current state parks. Sutherland stated that the department is developing a master plan for the development of the Rock Island State Park and

that the department is committed to not use funding for current state parks for the development of the new park, but instead use donations specifically dedicated to the Rock Island State Park. The department wants to ensure the current parks system is well maintained.

The following members' presence was noted: Adams, Allen, Amato, Anderson, Appelbaum, Atchison, Aune, Baker, Banderman, Bangert, Baringer, Billington, Black, Bland Manlove, Bonacker, Bosley, Boyd, Bromley, Brown (16), Brown (149), Brown (87), Brown (27), Buchheit-Courtway, Burger, Busick, Casteel, Chappell, Christ, Christofanelli, Clemens, Coleman, Collins, Cook, Copeland, Crossley, Davidson, Davis, Deaton, Diehl, Dinkins, Ealy, Evans, Falkner, Farnan, Fogle, Fountain Henderson, Francis, Gallick, Gragg, Gray, Gregory, Griffith, Haden, Hardwick, Hausman, Hein, Henderson, Hinman, Houx, Hovis, Hudson, Ingle, Johnson (12), Johnson (23), Justus, Kalberloh, Keathley, Kelley (127), Knight, Lavender, Lewis (6), Lonsdale, Lovasco, Mackey, Mann, Marquart, Matthiesen, Mayhew, McGaugh, McMullen, Merideth, Morse, Mosley, Murphy, Myers, O'Donnell, Oehlerking, Owen, Patterson, Perkins, Peters, Plank, Plocher, Pollitt, Pouche, Proudie, Quade, Reedy, Reuter, Richey, Riley, Roberts, Sander, Sassmann, Schnelting, Schulte, Schwadron, Sharp (37), Sharpe (4), Shields, Smith (46), Smith (155), Sparks, Stacy, Steinhoff, Stinnett, Strickler, Taylor (48), Terry, Thomas, Thompson, Titus, Toalson Reisch, Van Schoiack, Veit, Voss, Walsh Moore, Weber, West, Windham, Woods, Wright, and Young.

#### **ADJOURNMENT**

On motion of Representative Marquart, the House adjourned until 4:00 p.m., Tuesday, January 17, 2023.

#### **HOUSE CALENDAR**

SEVENTH DAY, TUESDAY, JANUARY 17, 2023

#### **HOUSE JOINT RESOLUTIONS FOR SECOND READING**

HJR 45

#### **HOUSE BILLS FOR SECOND READING**

HB 774 through HB 783

#### **ACTIONS PURSUANT TO ARTICLE IV, SECTION 27**

HCS HB 3001 - Smith (163)  
CCS SS SCS HCS HB 3002 - Smith (163)  
CCS SS SCS HCS HB 3003 - Smith (163)  
CCS SCS HCS HB 3004 - Smith (163)  
CCS SCS HCS HB 3005 - Smith (163)  
CCS SCS HCS HB 3006 - Smith (163)  
CCS SCS HCS HB 3007 - Smith (163)  
CCS SS SCS HCS HB 3008 - Smith (163)



CCS SCS HCS HB 3009 - Smith (163)  
CCS SS SCS HCS HB 3010 - Smith (163)  
CCS SS SCS HCS HB 3011 - Smith (163)  
CCS SS SCS HCS HB 3012 - Smith (163)  
CCS SCS HCS HB 3013 - Smith (163)  
SCS HCS HB 3017 - Smith (163)  
SCS HCS HB 3018 - Smith (163)  
SCS HCS HB 3019 - Smith (163)  
SS SCS HCS HB 3020 - Smith (163)

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