

# Legislative Bulletin



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## **END OF SESSION REPORT**

*The 2015 Missouri General Assembly ended its five-month session on Friday, May 15. This session was marked by tragedy, scandal, and gridlock with the last week being the most turbulent and chaotic in years.*

*Tragedy:* In February, Missouri Auditor Tom Schweich took his own life, and a month later, Schweich's longtime spokesman, Spence Jackson, further shook the state's political community by also committing suicide.

*Turmoil, Chaos & Gridlock:* On Tuesday, May 12<sup>th</sup>, Republicans used a very rare procedural motion (known as PQ) to shut off debate and force a vote on right to work. The Democrats essentially stalled all other legislation from that point resulting in the Senate adjourning early, sometimes before noon, every day of the last week of session.

*Scandal:* Thursday, May 14<sup>th</sup>, Republican House Speaker John Diehl admitted to an improper relationship with a 19 year old Capitol intern. This scandal, coupled with the standstill of the Senate, resulted in the House adjourning early two days in a row the last week.

Ultimately, Speaker Diehl resigned the last day of session and Representative Todd Richardson, R-Poplar Bluff, was sworn in as the new House Speaker. Finally, around 11:00 a.m. on the last day of session, the House got back to work and was able to pass several pieces of legislation.

The Senate adjourned three hours before the 6:00 p.m. deadline. The House adjourned at 5:50 p.m. In the end a total of 131 bills were Truly Agreed and Finally Passed: 54 Senate Bills and 58 House Bills; 19 Budget Bills.

### **Glimpse at Entire Session's Work**

In total, the legislature sent 131 bills to Governor Nixon who so far has signed 20 and vetoed two; unemployment assistance and cuts to TANF & SNAP programs. One of those vetoes – welfare cuts - has already been overridden. On the final day of session, the only bill voted and passed by the Senate was the Federal Reimbursement Allowance. It allows Missouri to keep collecting health care provider taxes, which were set to expire at the end of the year, making a difference of more than \$3-billion to Missouri's budget.

### **Republican Priorities that Passed**

Throughout this year's session, Republican leaders made the party's priorities very apparent. From both chambers, Republicans urged passing bills to: reduce the length of time unemployment benefits can be received, reduction of welfare, right-to-work, and attempt to help the agriculture industry as a whole. Overall, every prioritized piece of legislation was passed.

### **Governor's Acceptance of and Veto of Bills**

While Governor Nixon signed the agriculture bill last month, he vetoed both the unemployment assistance and welfare measures, and has said he will veto the right-to-work bill. Republicans already have overridden his veto on the welfare bill. The measure to tie the number of weeks of available jobless benefits to the state's unemployment rate needs another two-thirds majority vote in the Senate to become law, a move senators have said could occur during the short September veto session.

With right-to-work remaining a hot topic throughout the legislative session, Governor Nixon has already commented saying he has no problem vetoing the bill. He said, "The bill to make Missouri a so-called 'Right-to-Work' state would stifle our economic growth, weaken the middle class, - and even subject Missouri employers to criminal and unlimited civil liability." He continued saying, "It's clear that attacking workers and threatening businesses is the wrong economic development strategy for our state and it's not what Missourians set us here to do." If Nixon does in fact veto the bill and supporters cannot rally more "yay" votes, the bill will not have enough votes to override his veto.

### **Bipartisan Compromise**

Throughout the course of session, both sides of the aisle recognized a need to fix issues within the state's local court systems. The changes included addressing policies that some lawmakers believe target minorities and poor communities. Other reform aspects include reducing the amount of total revenue a local city can rely on from traffic tickets and fines. While these bills create changes in an effort to resolve tensions following the Michael Brown shooting, they do not specifically address issues regarding this specific death.

### **Still No Answer to Funding MO's Failing Transportation Infrastructure**

While several proposals were introduced and one even perfected in the Senate, we will go yet another year with no funding solution to Missouri's failing transportation infrastructure. Here is a short wrap up on transportation proposals this session.

Two proposals got to a vote before the House Transportation Committee. House Bill 995, sponsored by Rep. Keith English (I-Florissant) proposed to increase the tax on motor fuel from 17 cents to 19 cents. Rep. English reported to the committee that Missouri's current motor fuel tax is lower than the motor fuel tax charged in surrounding states. On April 21 the committee failed to adopt this proposal by a vote of 5 to 7.

House Bill 738, sponsored by Rep. Dave Hinson (R-St. Clair), proposed that beginning Jan. 1, 2016, to replace the current 17-cent motor fuel tax with a 10.5946 percent sales tax on the statewide average wholesale price of both gasoline and diesel. On April 29 the committee failed to adopt this proposal by a vote of 5 yesses and 6 noes.

The two separate votes from the committee confirmed the House's earlier statement that it is not interested in passing any tax increases during this legislative session. In addition, some committee members expressed that a two-cent gas tax increase is not enough to address the funding needs for transportation in the long term.

On April 14, the Senate began debate on Senate Bill 540, sponsored by Sen. Doug Libla (R-Poplar Bluff), also chairman of the Senate Transportation Committee. SB 540 was originally introduced as a proposal that would increase the state fuel tax by two cents a year for the next three years and then index the fuel tax based on the consumer price index. This would bring the state's current rate of 17 cents per gallon of fuel tax to 23 cents per gallon once fully phased in.

However, once the Senator began debate on his bill, he introduced a Senate floor substitute that changed the original intent of the proposal to a simple 2-cent fuel tax initiative. The reason for this change was to eliminate any possible opposition or concerns as it relates to the annual constitutional calculation of the state's tax and spend authority (The Hancock (Farmahan) amendment) and to garner Governor Nixon's support. Senate Bill 540 was derailed in the Senate by some anti-tax opponents who insisted the proposal go to a vote of the people

On April 30<sup>th</sup>, Senate Bill 540 was brought back before the Senate for further debate. The bill was then changed from a 2-cent fuel tax increase to a one and one-half cent gasoline and three and one-half cent diesel tax increase both to take effect Jan. 1, 2016. The compromised bill also contained language that would allow MoDOT and the Missouri Highways and Transportation the opportunity to establish a public private partnership to rebuild I-70. However, before a final PPP could be approved it would have to be voted on by the general assembly.

The chief opponent to SB 540 was Sen. Rob Schaaf (R-St. Joseph). Sen. Schaaf believes the proposed tax increase requires a vote of the people. However, he was able to step aside with his opposition, once the Senate adopted the proposed changes and was assured that commercial motor carriers were going to pay more money for doing most of the damages to Missouri's roads and bridges.

Sen. Ed Emery (R-Harrisonville) was also adamantly opposed to SB 540, because he believes any tax increase should go to the voters to decide. However, once Sen. Schaaf removed his opposition to the bill Sen. Emery ended his efforts to continue to filibuster the bill.

SB 540 as amended received first round approval with a vote of 18 to 13 and was then sent to Senate Government Accountability and Fiscal Oversight Committee. After successful lobbying by the Missouri Trucking Association and the Missouri Petroleum Marketers and Convenience Store Association, the bill was not brought up for a vote in that committee and eventually died.

**Here is a link to all the Truly Agreed and Finally Passed legislation:**

[http://www.senate.mo.gov/15info/BTS\\_Web/TrulyAgreed.aspx?SessionType=R](http://www.senate.mo.gov/15info/BTS_Web/TrulyAgreed.aspx?SessionType=R)

**Veto Session Begins September 16th.**