

# Journal of the Senate

FIRST REGULAR SESSION

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SIXTY-THIRD DAY—TUESDAY, MAY 7, 2013

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The Senate met pursuant to adjournment.

Senator Pearce in the Chair.

Reverend Carl Gauck offered the following prayer:

“May God be gracious to us and bless us and make his face to shine upon us...” (Psalm 67:1)

Gracious God, we are truly a blessed and gifted body here, with many talents and skills to contribute to the well being and mental acuity of those we work with. Help us use these gifts to put forth the best effort and most effective bills we are capable of presenting so that our conscience is clear and we have nothing to be ashamed of when the day’s work is completed. In Your Holy Name we pray. Amen.

The Pledge of Allegiance to the Flag was recited.

A quorum being established, the Senate proceeded with its business.

The Journal of the previous day was read and approved.

The following Senators were present during the day’s proceedings:

Present—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Rupp	Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford
Walsh	Wasson—34						

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The Lieutenant Governor was present.

President Pro Tem Dempsey assumed the Chair.

**RESOLUTIONS**

Senator Emery offered Senate Resolution No. 914, regarding Juanita Peaslee, Centerview, which was adopted.

Senator Parson offered Senate Resolution No. 915, regarding Phillip Schnapp, which was adopted.

Senator Parson offered Senate Resolution No. 916, regarding the Fiftieth Wedding Anniversary of Mr. and Mrs. Merton Fogler, El Dorado Springs, which was adopted.

Senator Romine offered Senate Resolution No. 917, regarding Jimmie Turner, De Soto, which was adopted.

Senator Romine offered Senate Resolution No. 918, regarding Dr. Beverly K. Schonhoff, Oakridge, which was adopted.

Senator Romine offered Senate Resolution No. 919, regarding Stacey L. Endebrock, Hillsboro, which was adopted.

Senator Romine offered Senate Resolution No. 920, regarding Señora Evelyn Camp, Manchester, which was adopted.

**REPORTS OF STANDING COMMITTEES**

Senator Parson, Chairman of the Committee on Governmental Accountability and Fiscal Oversight, submitted the following reports:

Mr. President: Your Committee on Governmental Accountability and Fiscal Oversight, to which were referred **HB 274**, with **SCS** and **HB 253**, begs leave to report that it has considered the same and recommends that the bills do pass.

Senator Rupp, Chairman of the Committee on Small Business, Insurance and Industry, submitted the following reports:

Mr. President: Your Committee on Small Business, Insurance and Industry, to which was referred **HCS** for **HB 58**, begs leave to report that it has considered the same and recommends that the bill do pass.

Also,

Mr. President: Your Committee on Small Business, Insurance and Industry, to which was referred **HB 409**, begs leave to report that it has considered the same and recommends that the bill do pass.

Also,

Mr. President: Your Committee on Small Business, Insurance and Industry, to which was referred **HB 339**, begs leave to report that it has considered the same and recommends that the bill do pass.

Also,

Mr. President: Your Committee on Small Business, Insurance and Industry, to which was referred **HCS** for **HBs 593** and **695**, begs leave to report that it has considered the same and recommends that the bill do pass.

Senator Lager, Chairman of the Committee on Commerce, Consumer Protection, Energy and the Environment, submitted the following report:

Mr. President: Your Committee on Commerce, Consumer Protection, Energy and the Environment, to which was referred **HB 142**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Senator Schaefer, Chairman of the Committee on Appropriations, submitted the following reports:

Mr. President: Your Committee on Appropriations, to which was referred **HCS for HB 17**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Also,

Mr. President: Your Committee on Appropriations, to which was referred **HCS for HB 19**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Also,

Mr. President: Your Committee on Appropriations, to which was referred **HB 18**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Senator Wasson, Chairman of the Committee on Financial and Governmental Organizations and Elections, submitted the following report:

Mr. President: Your Committee on Financial and Governmental Organizations and Elections, to which was referred **HCS for HB 117**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Senator Brown, Chairman of the Committee on Veterans' Affairs and Health, submitted the following report:

Mr. President: Your Committee on Veterans' Affairs and Health, to which was referred **HB 148**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Senator Kehoe, Chairman of the Committee on Transportation and Infrastructure, submitted the following reports:

Mr. President: Your Committee on Transportation and Infrastructure, to which was referred **HB 103**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Also,

Mr. President: Your Committee on Transportation and Infrastructure, to which was referred **HB 428**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Senator Pearce assumed the Chair.

### **HOUSE BILLS ON THIRD READING**

**HB 478**, introduced by Representative Wieland, et al, entitled:

An Act to repeal sections 370.283 and 370.287, RSMo, and to enact in lieu thereof two new sections relating to credit unions.

Was taken up by Senator Romine.

On motion of Senator Romine, **HB 478** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Rupp	Sater	Schaaf	Schaefer	Schmitt	Sifton	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senator Silvey—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Romine, title to the bill was agreed to.

Senator Romine moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

At the request of Senator Dixon, **HCS** for **HBs 374** and **434**, with **SCS**, was placed on the Informal Calendar.

**HB 400**, introduced by Representative Riddle, et al, entitled:

An Act to amend chapter 188, RSMo, by adding thereto one new section relating to administration of abortion-inducing drugs.

Was taken up by Senator Wallingford.

Senator Wallingford offered **SA 1**, which was read:

SENATE AMENDMENT NO. 1

Amend House Bill No. 400, Page 1, Section 188.021, Line 2, by inserting after “abortion,” the following: “**the initial dose of**”; and further amend line 6, by striking “twelve to eighteen days”; and further amend line 8, by inserting immediately after the word “condition” the following: “, **unless such termination of the pregnancy has already been confirmed and the patient’s medical condition has been assessed by a licensed physician prior to discharge.**”.

Senator Wallingford moved that the above amendment be adopted.

Senator Kraus assumed the Chair.

Photographers from ABC-17 were given permission to take pictures in the Senate Chamber.

At the request of Senator Wallingford, **HB 400**, with **SA 1** (pending), was placed on the Informal Calendar.

### **HOUSE BILLS ON SECOND READING**

The following Bills were read the 2nd time and referred to the Committees indicated:

**HCS for HB 630**—Jobs, Economic Development and Local Government.

**HCS for HB 371**—Judiciary and Civil and Criminal Jurisprudence.

**HB 555**—Transportation and Infrastructure.

**HCS for HB 781**—Veterans' Affairs and Health.

**HCS for HB 936**—Judiciary and Civil and Criminal Jurisprudence.

**HB 427**—Commerce, Consumer Protection, Energy and the Environment.

**HCS for HB 430**—Small Business, Insurance and Industry.

**HCS for HB 513**—General Laws.

**HB 336**—Jobs, Economic Development and Local Government.

**HB 635**—Judiciary and Civil and Criminal Jurisprudence.

**HCS for HB 611**—Small Business, Insurance and Industry.

**HCS for HB 771**—Transportation and Infrastructure.

### **MESSAGES FROM THE HOUSE**

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the Speaker has appointed the following committee to act with a like committee from the Senate on **SCS for HCS No. 2 for HB 698**, as amended. Representatives: Jones (50), Zerr, and Kratky.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the Speaker has appointed the following committee to act with a like committee from the Senate on **SS for SCS for HB 307**, as amended. Representatives: Stream, Flanigan, and Kirkton.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has adopted **HCR 34**.

### **HOUSE CONCURRENT RESOLUTION NO. 34**

WHEREAS, the National School Lunch Program was reauthorized in 2010 by the Healthy, Hunger-Free Kids Act; and

WHEREAS, since the policies of the Healthy, Hunger-Free Kids Act have gone into effect, children across the state are suffering from extreme hunger, headaches from lack of nutrition and food, and inadequate energy to participate in after-school athletic activities; and

WHEREAS, the extreme caloric and protein limits cannot be altered for any student, regardless of weight, nutritional needs, or participation in after-school athletic activities; and

WHEREAS, children in Kindergarten and children in the fifth grade receive the same amount of food and are restricted to the same number of calories under the new policies; and

WHEREAS, children in the sixth grade and children in the twelfth grade receive the same amount of food and are restricted to the same number of calories under the new policies; and

WHEREAS, students need nutritious, filling, and balanced meals in order to learn effectively; and

WHEREAS, students that are hungry from lack of adequate nutrition are more likely to make unhealthy snack choices; and

WHEREAS, children should be taught how to make positive nutritional choices and encouraged to exercise; and

WHEREAS, any program that purports to address the health needs of our children, but neglects to include any provisions regarding exercise and physical activity is inadequate; and

WHEREAS, while changes in the school lunch program are needed, the Healthy, Hunger-Free Kids Act is not an adequate solution:

NOW, THEREFORE, BE IT RESOLVED that the members of the House of Representatives of the Ninety-seventh General Assembly, First Regular Session, the Senate concurring therein, hereby urge the United States Congress and the United States Department of Agriculture to reevaluate the Healthy, Hunger-Free Kids Act; and

BE IT FURTHER RESOLVED that the Chief Clerk of the Missouri House of Representatives be instructed to prepare a properly inscribed copy of this resolution for the Secretary of the United States Department of Agriculture; the Majority and Minority Leaders of the United States Congress; and each member of the Missouri Congressional delegation.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and adopted **HCS** for **HCR 17**.

HOUSE COMMITTEE SUBSTITUTE FOR  
HOUSE CONCURRENT RESOLUTION NO. 17

WHEREAS, under federal Medicaid law, states are required to make disproportionate share hospital (DSH) payments to hospitals for providing health care to a vast number of low-income patients in an attempt to make up for financial losses by hospitals that do not receive payment for services rendered to uninsured patients and because Medicaid provider payment rates are far lower than those payments received by private insurance; and

WHEREAS, also under federal Medicaid law, the federal government reimburses states for a portion of the state's Medicaid DSH expenditures based on each state's federal medical assistance percentage and each state receives an annual DSH allotment; and

WHEREAS, Missouri hospitals reported providing \$1.1 billion in uncompensated care to Missourians in 2011; and

WHEREAS, under the Affordable Care Act (ACA) of 2010, states are mandated to expand Medicaid eligibility for persons with incomes up to 133% of the federal poverty level; however, in June 2012, the United States Supreme Court found such mandate impermissible and now allows each state to decide whether to implement such a Medicaid expansion; and

WHEREAS, under the ACA, under the assumption at the time the law passed that all states were to implement the Medicaid expansion, the federal government is required to reduce more than \$22 billion in DSH payments from 2014 to 2022; and

WHEREAS, it is estimated that Missouri will suffer cuts to both Medicaid and Medicare hospital payments in the amount of \$3.3 billion from 2013 to 2020 with DSH cuts in the amount generally of \$704 million from 2013 to 2019; and

WHEREAS, the federal cuts to DSH hospital payments are set to occur regardless of whether a state has elected to implement the Medicaid expansion under the ACA - a decision the United States Supreme Court found each state has a right to pursue; and

WHEREAS, Missouri hospitals have reported that it will be an "unsustainable situation for hospitals" to absorb more than \$1 billion annually in uncompensated care while facing \$3.3 billion in cuts:

NOW, THEREFORE, BE IT RESOLVED that the members of the House of Representatives of the Ninety-seventh General Assembly, First Regular Session, the Senate concurring therein, hereby urge the federal government to continue to reimburse states for a portion of the state's Medicaid DSH expenditures based on each state's federal medical assistance percentage for those states that have chosen not to implement the Medicaid expansion; and

BE IT FURTHER RESOLVED that Governor Nixon work with the federal government to ensure that the reduction to such DSH payments

does not occur; and

BE IT FURTHER RESOLVED that the Chief Clerk of the Missouri House of Representatives be instructed to prepare a properly inscribed copy of this resolution for the President of the United States, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the federal Department of Health and Human Services, each member of the Missouri Congressional delegation, and Governor Jay Nixon.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SCS** for **SB 157** and **SB 102**, entitled:

An Act to repeal sections 407.300, 407.302, 407.303, and 407.485, RSMo, and to enact in lieu thereof four new sections relating to scrap metal, with penalty provisions.

With House Amendment Nos. 1 and 2, House Amendment No. 1 to House Amendment No. 3, House Amendment No. 3, as amended, and House Amendment No. 4.

#### HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 157 and Senate Bill No. 102, Pages 3-5, Section 407.485, Lines 1-54, by deleting all of said section and lines from the bill and inserting in lieu thereof, the following:

“407.485. 1. It shall be an unfair business practice in violation of section 407.020 for a for-profit entity or natural person to collect [donations of] unwanted household items via a public receptacle and resell the [donated] **deposited** items for profit unless the [donation] **deposited item** receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: “[DONATIONS] **DEPOSITED ITEMS ARE NOT FOR CHARITABLE ORGANIZATIONS AND WILL BE RESOLD FOR PROFIT. DEPOSITED ITEMS ARE NOT TAX DEDUCTIBLE**”.

2. It shall be an unfair business practice in violation of section 407.020 for a for-profit entity or natural person to collect donations of unwanted household items via a public receptacle and resell the donated items where some or all of the proceeds from the sale are directly given to a not-for-profit entity unless the donation receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: “DONATIONS TO THE FOR-PROFIT COMPANY: (name of the company) ARE SOLD FOR PROFIT AND (% of proceeds donated to the not-for-profit) % OF ALL PROCEEDS ARE DONATED TO (name of the nonprofit beneficiary organization’s name).”

3. It shall be an unfair business practice in violation of section 407.020 for a for-profit entity or natural person to collect donations of unwanted household items via a public receptacle and resell the donated items, where such for-profit entity is paid a flat fee, not contingent upon the proceeds generated by the sale of the collected goods, and one hundred percent of the proceeds from the sale of the items are given directly to the not-for-profit, unless the donation receptacle prominently displays a statement in bold letters at least two inches high and two inches wide stating: “THIS DONATION RECEPTACLE IS OPERATED BY THE FOR-PROFIT ENTITY: (name of the for-profit/individual) ON BEHALF of (name of the nonprofit beneficiary organization’s name)”.

**4. It shall be an unfair business practice in violation of section 407.020 for a not-for-profit entity to collect donations of unwanted household items via a public receptacle and resell the donated items unless the donation receptacle prominently displays a statement in bold letters at least two inches high**

**and two inches wide stating: “THIS RECEPTACLE IS OWNED AND OPERATED BY THE NOT-FOR-PROFIT ENTITY: (name of the not-for-profit/charity) AND (% of proceeds donated to the not-for-profit) % OF THE PROCEEDS FROM THE SALE OF ANY DONATIONS SHALL BE USED FOR THE CHARITABLE MISSION OF (charity name/charitable cause)”.**

[4.] **5.** The term “bold letters” as used in subsections 1, 2, and 3 of this section shall mean a primary color on a white background so as to be clearly visible to the public.

[5.] **6.** Nothing in this section shall apply to paper, glass, or aluminum products that are donated for the purpose of being recycled in the manufacture of other products.

[6.] **7.** Any entity which, on or before June 1, 2009, has distributed one hundred or more separate public receptacles within the state of Missouri to which the provisions of subsection 2 or 3 of this section would apply shall be deemed in compliance with the signage requirements imposed by this section for the first six months after August 28, 2009, provided such entity has made or is making good faith efforts to bring all signage in compliance with the provisions of this section and all such signage is in complete compliance no later than six months after August 28, 2009.

**8. All donation receptacles described in this section shall conspicuously display the name, address, and telephone number of the owner and operator of the receptacle. For any receptacles covered in this section, the owner or operator of the receptacle shall maintain permission to place the receptacle on the property from the property owner or agent of the owner of the property where the receptacle is located. Such permission shall be in writing and clearly identify the owner of the receptacle and property owner or his or her agent in addition to the nature of the collections and where proceeds will be accrued. Failure to secure such permission shall constitute an unfair business practice in addition to any other statutory conditions. Unless otherwise agreed to in writing, the property owner or his or her agent may remove the receptacle and any charges incurred in such removal shall be the responsibility of the owner of the receptacle. Unless the receptacle owner pays such charges within thirty calendar days of the sending of a written certified letter from the property owner stating his or her intent to remove the receptacle, the receptacle owner shall relinquish any right to the receptacle. If the receptacle does not conspicuously display the name, address, and telephone number of the owner and operator of the receptacle, the receptacle shall be considered abandoned property and may be destroyed or permanently possessed by the property owner or their agent.**

**9. Any owner and operator of a receptacle that does not display the address of the owner and operator, but does display the website of the owner and operator, shall make the address easily accessible on such website for the property owner to send the letter specified in subsection 8 of this section. The provisions of this subsection shall expire on September 1, 2014.”; and**

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

#### HOUSE AMENDMENT NO. 2

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 157 and Senate Bill No. 102, Page 2, Section 407.302, Line 3, by inserting after the phrase “**cable provider,**” on said line, the phrase “**wireless service or other communications-related provider,**”; and

Further amend said bill, Page 3, Section 407.302, Lines 6-7 and Line 10, by inserting after the phrase “**cable provider,**” on said lines, the phrase “**wireless service or other communications-related provider,**”; and

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

HOUSE AMENDMENT NO. 1 TO  
HOUSE AMENDMENT NO. 3

Amend House Amendment No. 3 to House Committee Substitute for Senate Committee Substitute for Senate Bill No. 157 and Senate Bill No. 102, Page 1, Section 407.292, Line 26, by inserting after the words “**legibly record**” the phrase “**and photograph**”; and

Further amend said amendment, Page 2, Line 5, by deleting the word “**five**” and inserting in lieu thereof the word “**fourteen**”; and

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

HOUSE AMENDMENT NO. 3

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 157 and Senate Bill No. 102, Page 1, Section A, Line 3, by inserting after all of said section and line, the following:

**“407.292. 1. As used in this section, the following words and terms have the following meanings, unless the context clearly indicates otherwise:**

(1) “**Business combination**”, the same meaning as such term is defined in section 351.459;

(2) “**Buyer of gold, silver, or platinum**” or “**buyer**”, an individual, partnership, association, corporation, or business entity, who or which purchases gold, silver, or platinum from the general public for resale or refining, or an individual who acts as agent for the individual, partnership, association, corporation, or business entity for the purchases. The term does not include financial institutions licensed under federal or state banking laws, the purchaser of gold, silver, or platinum who purchases from a seller seeking a trade-in or allowance, and the purchaser of gold, silver, or platinum for his or her own use or ownership and not for resale or refining;

(3) “**Gold**”, items containing or being of gold including, but not limited to, jewelry. The term does not include coins, ingots, or bullion or articles containing less than five percent gold by weight;

(4) “**Platinum**”, items containing or being of platinum, but shall only include jewelry. The term does not include coins, ingots, bullion, or catalytic converters or articles containing less than five percent platinum by weight;

(5) “**Silver**”, items containing or being of silver including, but not limited to, jewelry. The term does not include coins, ingots, bullion, or photographic film or articles containing less than five percent silver by weight;

(6) “**Weighing device**”, shall only include a device that is inspected and approved by the weight and measures program within the department of agriculture.

2. The buyer shall completely, accurately, and legibly record every transaction on a form provided by and prepared by the buyer. The record of every transaction shall include the following:

(1) A copy of the driver’s license or photo identification issued by the state or by the United States government or agency thereof to the person from whom the material is obtained;

(2) The name, current address, birth date, sex, and a photograph of the person from whom the material is obtained, if not included or are different from the identification required in subdivision

**(1) of this subsection;**

**(3) The seller shall be required to sign the form on which is recorded the information required by this section;**

**(4) An accurate description of the property purchased shall include all names, initials, serial numbers, or other identifying marks or monograms on each item purchased;**

**(5) The time and date of the transaction shall be recorded at the time of the transaction. Records of transactions shall be maintained by the buyer in gold, silver, or platinum for a period of one year and shall be available for inspection by any law enforcement official of the federal government, state, municipality, or county. No buyer shall accept any premelted gold, silver, or platinum, unless it is part of the design of an item of jewelry. Each item of gold, silver, or platinum purchased by a buyer in gold, silver, or platinum shall be retained in an unaltered condition for five full working days. It shall be the buyer's duty to inform law enforcement if the buyer has any reason to believe an item purchased may have been obtained illegally by a seller.**

**3. Records of buyer transactions may be made available to law enforcement officials, other governmental entities, and persons who, in the opinion of the custodian of the buyer transaction record, should be permitted access, such as an insurance company.**

**4. When a purchase is made from a minor, the written authority of the parent, guardian, or person in loco parentis authorizing the sale shall be attached and maintained with the record of transaction described in subsection 2 of this section (relating to records of transactions).**

**5. (1) When a weighing device is used to purchase gold, silver, or platinum, there shall be posted, on a conspicuous sign located close to the weighing device, a statement of prices for the gold, silver, or platinum being purchased as a result of the weight determination.**

**(2) The statement of prices shall include, but not be limited to, the following in terms of the price per troy ounce:**

**(a) The price for twenty-four karat, eighteen karat, fourteen karat, and ten karat gold;**

**(b) The price for pure silver and sterling silver;**

**(c) The price for platinum.**

**(3) When the weight determination is expressed in metric units, a conversion chart to troy ounces shall be prominently displayed so as to facilitate price comparison. The metric equivalent of a troy ounce is 31.10348 grams.**

**6. A weighing device used in the purchase of gold, silver, or platinum shall be positioned in such a manner that its indications may be accurately read and the weighing operation observed from a position which may be reasonably assumed by the buyer and the seller. A verbal statement of the result of the weighing shall be made by the person operating the device and recorded on the buyer's record of transaction.**

**7. The purchase of an item of gold, silver, or platinum by a buyer in gold, silver, or platinum not in accordance with section 407.292, shall constitute a violation of this section and the buyer may be subject to a fine not to exceed one thousand dollars.**

**8. This section shall not apply to a pawnbroker, as defined in section 367.011, or a scrap metal**

**dealer, as provided in sections 407.300 to 407.305.”; and**

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

HOUSE AMENDMENT NO. 4

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 157 and Senate Bill No. 102, Pages 1-2, Section 407.300, Lines 8-13, by deleting all of said lines and inserting in lieu thereof, the following:

“as farming is defined in section 350.010; whatever may be the condition or length of such metal; **or (4) Catalytic converter.”; and**

Further amend said bill, Page 3, Section 407.303, Line 10, by inserting after the word “**license**” on said line, the phrase “**or nondriver’s license**”; and

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

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 257**.

Bill ordered enrolled.

On motion of Senator Richard, the Senate recessed until 3:00 p.m.

**RECESS**

The time of recess having expired, the Senate was called to order by Senator Pearce.

**MESSAGES FROM THE HOUSE**

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: The following are the correct conferees on **SS** for **SCS** for **HB 307**, as amended: Representatives Riddle, Hinson, and Walton Gray.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 230**.

With House Amendment No. 1.

HOUSE AMENDMENT NO. 1

Amend Senate Bill No. 230, Pages 1 to 3, Section 191.334, Lines 6 to 58, by deleting all of said Section and Lines and inserting in lieu thereof the following:

**“3. Every newborn delivered on or after January 1, 2014, in an ambulatory surgical center, birthing center, hospital, or home shall be screened for critical congenital heart disease with pulse oximetry or in another manner as directed by the department of health and senior services in accordance with the American Academy of Pediatrics and American Heart Association guidelines. Screening shall occur prior to discharge if delivery occurs in a facility. If delivery occurs in a home**

**the individual performing the delivery shall perform the screening within forty-eight hours of birth. Screening results shall be reported to the parents or guardians of the newborn and the department of health and senior services in a manner prescribed by the department for surveillance purposes. The facility or individual shall develop and implement plans to ensure that newborns with positive screens receive appropriate confirmatory procedures and referral for treatment as indicated.**

**4. The provisions of this section shall not apply if a parent or guardian of the newborn objects to the screening on the grounds that it conflicts with his or her religious tenets and practices. The parent or guardian of any newborn who refuses to have the critical congenital heart disease screening administered after notice of the requirement for screening shall document the refusal in writing. Any refusal of screening shall be reported to the department of health and senior services in a manner prescribed by the department.**

**5. The department of health and senior services shall provide consultation and administrative technical support to facilities and persons implementing the requirements of this section including, but not limited to, assistance in:**

**(1) Developing and implementing critical congenital heart disease newborn screening protocols based on the American Academy of Pediatrics and American Heart Association guidelines;**

**(2) Developing and training facilities and persons on implementation of protocols;**

**(3) Developing and distributing educational materials for families; and**

**(4) Implementing reporting requirements.”; and**

Further amend said bill, pages, and section, by renumbering the following subsections accordingly; and

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

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SCS** for **SB 17**, entitled:

An Act to repeal section 178.550, RSMo, and to enact in lieu thereof two new sections relating to advisory councils in education.

With House Amendment Nos. 1, 2, 3, 4, 5 and 6.

#### HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 17, Page 2, Section 161.249, Line 24, by inserting after all of said Section and Line the following:

“169.070. 1. The retirement allowance of a member whose age at retirement is sixty years or more and whose creditable service is five years or more, or whose sum of age and creditable service equals eighty years or more, or who has attained age fifty-five and whose creditable service is twenty-five years or more or whose creditable service is thirty years or more regardless of age, may be the sum of the following items, not to exceed one hundred percent of the member’s final average salary:

(1) Two and five-tenths percent of the member’s final average salary for each year of membership service;

(2) Six-tenths of the amount payable for a year of membership service for each year of prior service not exceeding thirty years.

In lieu of the retirement allowance otherwise provided in subdivisions (1) and (2) of this subsection, a member may elect to receive a retirement allowance of:

(3) [Between July 1, 1998, and July 1, 2013,] Two and four-tenths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-nine years or more but less than thirty years, and the member has not attained age fifty-five;

(4) [Between July 1, 1998, and July 1, 2013,] Two and thirty-five-hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-eight years or more but less than twenty-nine years, and the member has not attained age fifty-five;

(5) [Between July 1, 1998, and July 1, 2013,] Two and three-tenths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-seven years or more but less than twenty-eight years, and the member has not attained age fifty-five;

(6) [Between July 1, 1998, and July 1, 2013,] Two and twenty-five-hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-six years or more but less than twenty-seven years, and the member has not attained age fifty-five;

(7) [Between July 1, 1998, and July 1, 2013,] Two and two-tenths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-five years or more but less than twenty-six years, and the member has not attained age fifty-five;

(8) [Between July 1, 2001, and July 1, 2013,] Two and fifty-five hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is thirty-one years or more regardless of age.

2. In lieu of the retirement allowance provided in subsection 1 of this section, a member whose age is sixty years or more on September 28, 1975, may elect to have the member's retirement allowance calculated as a sum of the following items:

(1) Sixty cents plus one and five-tenths percent of the member's final average salary for each year of membership service;

(2) Six-tenths of the amount payable for a year of membership service for each year of prior service not exceeding thirty years;

(3) Three-fourths of one percent of the sum of subdivisions (1) and (2) of this subsection for each month of attained age in excess of sixty years but not in excess of age sixty-five.

3. (1) In lieu of the retirement allowance provided either in subsection 1 or 2 of this section, collectively called "option 1", a member whose creditable service is twenty-five years or more or who has attained the age of fifty-five with five or more years of creditable service may elect in the member's application for retirement to receive the actuarial equivalent of the member's retirement allowance in reduced monthly payments for life during retirement with the provision that:

Option 2. Upon the member's death the reduced retirement allowance shall be continued throughout the life of and paid to such person as has an insurable interest in the life of the member as the member shall have nominated in the member's election of the option, and provided further that if the person so nominated

dies before the retired member, the retirement allowance will be increased to the amount the retired member would be receiving had the retired member elected option 1; OR

Option 3. Upon the death of the member three-fourths of the reduced retirement allowance shall be continued throughout the life of and paid to such person as has an insurable interest in the life of the member and as the member shall have nominated in an election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance will be increased to the amount the retired member would be receiving had the member elected option 1; OR

Option 4. Upon the death of the member one-half of the reduced retirement allowance shall be continued throughout the life of, and paid to, such person as has an insurable interest in the life of the member and as the member shall have nominated in an election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance shall be increased to the amount the retired member would be receiving had the member elected option 1; OR

Option 5. Upon the death of the member prior to the member having received one hundred twenty monthly payments of the member's reduced allowance, the remainder of the one hundred twenty monthly payments of the reduced allowance shall be paid to such beneficiary as the member shall have nominated in the member's election of the option or in a subsequent nomination. If there is no beneficiary so nominated who survives the member for the remainder of the one hundred twenty monthly payments, the total of the remainder of such one hundred twenty monthly payments shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the last person, in that order of precedence, to receive a monthly allowance in a lump sum payment. If the total of the one hundred twenty payments paid to the retired individual and the beneficiary of the retired individual is less than the total of the member's accumulated contributions, the difference shall be paid to the beneficiary in a lump sum; OR

Option 6. Upon the death of the member prior to the member having received sixty monthly payments of the member's reduced allowance, the remainder of the sixty monthly payments of the reduced allowance shall be paid to such beneficiary as the member shall have nominated in the member's election of the option or in a subsequent nomination. If there is no beneficiary so nominated who survives the member for the remainder of the sixty monthly payments, the total of the remainder of such sixty monthly payments shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the last person, in that order of precedence, to receive a monthly allowance in a lump sum payment. If the total of the sixty payments paid to the retired individual and the beneficiary of the retired individual is less than the total of the member's accumulated contributions, the difference shall be paid to the beneficiary in a lump sum.

(2) The election of an option may be made only in the application for retirement and such application must be filed prior to the date on which the retirement of the member is to be effective. If either the member or the person nominated to receive the survivorship payments dies before the effective date of retirement, the option shall not be effective, provided that:

(a) If the member or a person retired on disability retirement dies after acquiring twenty-five or more years of creditable service or after attaining the age of fifty-five years and acquiring five or more years of creditable service and before retirement, except retirement with disability benefits, and the person named by the member as the member's beneficiary has an insurable interest in the life of the deceased member, the designated beneficiary may elect to receive either survivorship benefits under option 2 or a payment of the accumulated contributions of the member. If survivorship benefits under option 2 are elected and the

member at the time of death would have been eligible to receive an actuarial equivalent of the member's retirement allowance, the designated beneficiary may further elect to defer the option 2 payments until the date the member would have been eligible to receive the retirement allowance provided in subsection 1 or 2 of this section;

(b) If the member or a person retired on disability retirement dies before attaining age fifty-five but after acquiring five but fewer than twenty-five years of creditable service, and the person named as the member's beneficiary has an insurable interest in the life of the deceased member, the designated beneficiary may elect to receive either a payment of the member's accumulated contributions, or survivorship benefits under option 2 to begin on the date the member would first have been eligible to receive an actuarial equivalent of the member's retirement allowance, or to begin on the date the member would first have been eligible to receive the retirement allowance provided in subsection 1 or 2 of this section.

4. If the total of the retirement or disability allowance paid to an individual before the death of the individual is less than the accumulated contributions at the time of retirement, the difference shall be paid to the beneficiary of the individual, or to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the individual in that order of precedence. If an optional benefit as provided in option 2, 3 or 4 in subsection 3 of this section had been elected, and the beneficiary dies after receiving the optional benefit, and if the total retirement allowance paid to the retired individual and the beneficiary of the retired individual is less than the total of the contributions, the difference shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the beneficiary, in that order of precedence, unless the retired individual designates a different recipient with the board at or after retirement.

5. If a member dies and his or her financial institution is unable to accept the final payment or payments due to the member, the final payment or payments shall be paid to the beneficiary of the member or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the member, in that order of precedence, unless otherwise stated. If the beneficiary of a deceased member dies and his or her financial institution is unable to accept the final payment or payments, the final payment or payments shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the member, in that order of precedence, unless otherwise stated.

6. If a member dies before receiving a retirement allowance, the member's accumulated contributions at the time of the death of the member shall be paid to the beneficiary of the member or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or to the estate of the member, in that order of precedence; except that, no such payment shall be made if the beneficiary elects option 2 in subsection 3 of this section, unless the beneficiary dies before having received benefits pursuant to that subsection equal to the accumulated contributions of the member, in which case the amount of accumulated contributions in excess of the total benefits paid pursuant to that subsection shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the beneficiary, in that order of precedence.

7. If a member ceases to be a public school employee as herein defined and certifies to the board of trustees that such cessation is permanent, or if the membership of the person is otherwise terminated, the member shall be paid the member's accumulated contributions with interest.

8. Notwithstanding any provisions of sections 169.010 to 169.141 to the contrary, if a member ceases

to be a public school employee after acquiring five or more years of membership service in Missouri, the member may at the option of the member leave the member's contributions with the retirement system and claim a retirement allowance any time after reaching the minimum age for voluntary retirement. When the member's claim is presented to the board, the member shall be granted an allowance as provided in sections 169.010 to 169.141 on the basis of the member's age, years of service, and the provisions of the law in effect at the time the member requests the member's retirement to become effective.

9. The retirement allowance of a member retired because of disability shall be nine-tenths of the allowance to which the member's creditable service would entitle the member if the member's age were sixty, or fifty percent of one-twelfth of the annual salary rate used in determining the member's contributions during the last school year for which the member received a year of creditable service immediately prior to the member's disability, whichever is greater, except that no such allowance shall exceed the retirement allowance to which the member would have been entitled upon retirement at age sixty if the member had continued to teach from the date of disability until age sixty at the same salary rate.

10. Notwithstanding any provisions of sections 169.010 to 169.141 to the contrary, from October 13, 1961, the contribution rate pursuant to sections 169.010 to 169.141 shall be multiplied by the factor of two-thirds for any member of the system for whom federal Old Age and Survivors Insurance tax is paid from state or local tax funds on account of the member's employment entitling the person to membership in the system. The monetary benefits for a member who elected not to exercise an option to pay into the system a retroactive contribution of four percent on that part of the member's annual salary rate which was in excess of four thousand eight hundred dollars but not in excess of eight thousand four hundred dollars for each year of employment in a position covered by this system between July 1, 1957, and July 1, 1961, as provided in subsection 10 of this section as it appears in RSMo, 1969, shall be the sum of:

(1) For years of service prior to July 1, 1946, six-tenths of the full amount payable for years of membership service;

(2) For years of membership service after July 1, 1946, in which the full contribution rate was paid, full benefits under the formula in effect at the time of the member's retirement;

(3) For years of membership service after July 1, 1957, and prior to July 1, 1961, the benefits provided in this section as it appears in RSMo, 1959; except that if the member has at least thirty years of creditable service at retirement the member shall receive the benefit payable pursuant to that section as though the member's age were sixty-five at retirement;

(4) For years of membership service after July 1, 1961, in which the two-thirds contribution rate was paid, two-thirds of the benefits under the formula in effect at the time of the member's retirement.

11. The monetary benefits for each other member for whom federal Old Age and Survivors Insurance tax is or was paid at any time from state or local funds on account of the member's employment entitling the member to membership in the system shall be the sum of:

(1) For years of service prior to July 1, 1946, six-tenths of the full amount payable for years of membership service;

(2) For years of membership service after July 1, 1946, in which the full contribution rate was paid, full benefits under the formula in effect at the time of the member's retirement;

(3) For years of membership service after July 1, 1957, in which the two-thirds contribution rate was

paid, two-thirds of the benefits under the formula in effect at the time of the member's retirement.

12. Any retired member of the system who was retired prior to September 1, 1972, or beneficiary receiving payments under option 1 or option 2 of subsection 3 of this section, as such option existed prior to September 1, 1972, will be eligible to receive an increase in the retirement allowance of the member of two percent for each year, or major fraction of more than one-half of a year, which the retired member has been retired prior to July 1, 1975. This increased amount shall be payable commencing with January, 1976, and shall thereafter be referred to as the member's retirement allowance. The increase provided for in this subsection shall not affect the retired member's eligibility for compensation provided for in section 169.580 or 169.585, nor shall the amount being paid pursuant to these sections be reduced because of any increases provided for in this section.

13. If the board of trustees determines that the cost of living, as measured by generally accepted standards, increases two percent or more in the preceding fiscal year, the board shall increase the retirement allowances which the retired members or beneficiaries are receiving by two percent of the amount being received by the retired member or the beneficiary at the time the annual increase is granted by the board with the provision that the increases provided for in this subsection shall not become effective until the fourth January first following the member's retirement or January 1, 1977, whichever later occurs, or in the case of any member retiring on or after July 1, 2000, the increase provided for in this subsection shall not become effective until the third January first following the member's retirement, or in the case of any member retiring on or after July 1, 2001, the increase provided for in this subsection shall not become effective until the second January first following the member's retirement. Commencing with January 1, 1992, if the board of trustees determines that the cost of living has increased five percent or more in the preceding fiscal year, the board shall increase the retirement allowances by five percent. The total of the increases granted to a retired member or the beneficiary after December 31, 1976, may not exceed eighty percent of the retirement allowance established at retirement or as previously adjusted by other subsections. If the cost of living increases less than five percent, the board of trustees may determine the percentage of increase to be made in retirement allowances, but at no time can the increase exceed five percent per year. If the cost of living decreases in a fiscal year, there will be no increase in allowances for retired members on the following January first.

14. The board of trustees may reduce the amounts which have been granted as increases to a member pursuant to subsection 13 of this section if the cost of living, as determined by the board and as measured by generally accepted standards, is less than the cost of living was at the time of the first increase granted to the member; except that, the reductions shall not exceed the amount of increases which have been made to the member's allowance after December 31, 1976.

15. Any application for retirement shall include a sworn statement by the member certifying that the spouse of the member at the time the application was completed was aware of the application and the plan of retirement elected in the application.

16. Notwithstanding any other provision of law, any person retired prior to September 28, 1983, who is receiving a reduced retirement allowance under option 1 or option 2 of subsection 3 of this section, as such option existed prior to September 28, 1983, and whose beneficiary nominated to receive continued retirement allowance payments under the elected option dies or has died, shall upon application to the board of trustees have his or her retirement allowance increased to the amount he or she would have been receiving had the option not been elected, actuarially adjusted to recognize any excessive benefits which

would have been paid to him or her up to the time of application.

17. Benefits paid pursuant to the provisions of the public school retirement system of Missouri shall not exceed the limitations of Section 415 of Title 26 of the United States Code except as provided pursuant to this subsection. Notwithstanding any other law to the contrary, the board of trustees may establish a benefit plan pursuant to Section 415(m) of Title 26 of the United States Code. Such plan shall be created solely for the purpose described in Section 415(m)(3)(A) of Title 26 of the United States Code. The board of trustees may promulgate regulations necessary to implement the provisions of this subsection and to create and administer such benefit plan.

18. Notwithstanding any other provision of law to the contrary, any person retired before, on, or after May 26, 1994, shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in response to such requests. As compensation for such duties the person shall receive an amount based on the person's years of service so that the total amount received pursuant to sections 169.010 to 169.141 shall be at least the minimum amounts specified in subdivisions (1) to (4) of this subsection. In determining the minimum amount to be received, the amounts in subdivisions (3) and (4) of this subsection shall be adjusted in accordance with the actuarial adjustment, if any, that was applied to the person's retirement allowance. In determining the minimum amount to be received, beginning September 1, 1996, the amounts in subdivisions (1) and (2) of this subsection shall be adjusted in accordance with the actuarial adjustment, if any, that was applied to the person's retirement allowance due to election of an optional form of retirement having a continued monthly payment after the person's death. Notwithstanding any other provision of law to the contrary, no person retired before, on, or after May 26, 1994, and no beneficiary of such a person, shall receive a retirement benefit pursuant to sections 169.010 to 169.141 based on the person's years of service less than the following amounts:

- (1) Thirty or more years of service, one thousand two hundred dollars;
- (2) At least twenty-five years but less than thirty years, one thousand dollars;
- (3) At least twenty years but less than twenty-five years, eight hundred dollars;
- (4) At least fifteen years but less than twenty years, six hundred dollars.

19. Notwithstanding any other provisions of law to the contrary, any person retired prior to May 26, 1994, and any designated beneficiary of such a retired member who was deceased prior to July 1, 1999, shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement or aging and upon request shall give written or oral opinions to the board in response to such requests. Beginning September 1, 1996, as compensation for such service, the member shall have added, pursuant to this subsection, to the member's monthly annuity as provided by this section a dollar amount equal to the lesser of sixty dollars or the product of two dollars multiplied by the member's number of years of creditable service. Beginning September 1, 1999, the designated beneficiary of the deceased member shall as compensation for such service have added, pursuant to this subsection, to the monthly annuity as provided by this section a dollar amount equal to the lesser of sixty dollars or the product of two dollars multiplied by the member's number of years of creditable service. The total compensation provided by this section including the compensation provided by this subsection shall be used in calculating any future cost-of-living adjustments provided by subsection 13 of this section.

20. Any member who has retired prior to July 1, 1998, and the designated beneficiary of a deceased

retired member shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in response to such requests. As compensation for such duties the person shall receive a payment equivalent to eight and seven-tenths percent of the previous month's benefit, which shall be added to the member's or beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 13 and 14 of this section for the purposes of the limit on the total amount of increases which may be received.

21. Any member who has retired shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in response to such request. As compensation for such duties, the beneficiary of the retired member, or, if there is no beneficiary, the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the retired member, in that order of precedence, shall receive as a part of compensation for these duties a death benefit of five thousand dollars.

22. Any member who has retired prior to July 1, 1999, and the designated beneficiary of a retired member who was deceased prior to July 1, 1999, shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in response to such requests. As compensation for such duties, the person shall have added, pursuant to this subsection, to the monthly annuity as provided by this section a dollar amount equal to five dollars times the member's number of years of creditable service.

23. Any member who has retired prior to July 1, 2000, and the designated beneficiary of a deceased retired member shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in response to such requests. As compensation for such duties, the person shall receive a payment equivalent to three and five-tenths percent of the previous month's benefit, which shall be added to the member or beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 13 and 14 of this section for the purposes of the limit on the total amount of increases which may be received.

24. Any member who has retired prior to July 1, 2001, and the designated beneficiary of a deceased retired member shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in response to such requests. As compensation for such duties, the person shall receive a dollar amount equal to three dollars times the member's number of years of creditable service, which shall be added to the member's or beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 13 and 14 of this section for the purposes of the limit on the total amount of increases which may be received.

169.670. 1. The retirement allowance of a member whose age at retirement is sixty years or more and whose creditable service is five years or more, or whose sum of age and creditable service equals eighty years or more, or whose creditable service is thirty years or more regardless of age, shall be the sum of the following items:

(1) For each year of membership service, one and sixty-one hundredths percent of the member's final average salary;

(2) Six-tenths of the amount payable for a year of membership service for each year of prior service;

(3) Eighty-five one-hundredths of one percent of any amount by which the member's average compensation for services rendered prior to July 1, 1973, exceeds the average monthly compensation on which federal Social Security taxes were paid during the period over which such average compensation was computed, for each year of membership service credit for services rendered prior to July 1, 1973, plus six-tenths of the amount payable for a year of membership service for each year of prior service credit;

(4) In lieu of the retirement allowance otherwise provided by subdivisions (1) to (3) of this subsection, [between July 1, 2001, and July 1, 2013,] a member may elect to receive a retirement allowance of:

(a) One and fifty-nine hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-nine years or more but less than thirty years and the member has not attained the age of fifty-five;

(b) One and fifty-seven hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-eight years or more but less than twenty-nine years, and the member has not attained the age of fifty-five;

(c) One and fifty-five hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-seven years or more but less than twenty-eight years and the member has not attained the age of fifty-five;

(d) One and fifty-three hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-six years or more but less than twenty-seven years and the member has not attained the age of fifty-five;

(e) One and fifty-one hundredths percent of the member's final average salary for each year of membership service, if the member's creditable service is twenty-five years or more but less than twenty-six years and the member has not attained the age of fifty-five; and

(5) In addition to the retirement allowance provided in subdivisions (1) to (3) of this subsection, a member retiring on or after July 1, 2001, whose creditable service is thirty years or more or whose sum of age and creditable service is eighty years or more, shall receive a temporary retirement allowance equivalent to eight-tenths of one percent of the member's final average salary multiplied by the member's years of service until such time as the member reaches the minimum age for Social Security retirement benefits.

2. If the board of trustees determines that the cost of living, as measured by generally accepted standards, increases five percent or more in the preceding fiscal year, the board shall increase the retirement allowances which the retired members or beneficiaries are receiving by five percent of the amount being received by the retired member or the beneficiary at the time the annual increase is granted by the board; provided that, the increase provided in this subsection shall not become effective until the fourth January first following a member's retirement or January 1, 1982, whichever occurs later, and the total of the increases granted to a retired member or the beneficiary after December 31, 1981, may not exceed eighty percent of the retirement allowance established at retirement or as previously adjusted by other provisions of law. If the cost of living increases less than five percent, the board of trustees may determine the percentage of increase to be made in retirement allowances, but at no time can the increase exceed five percent per year. If the cost of living decreases in a fiscal year, there will be no increase in allowances for retired members on the following January first.

3. The board of trustees may reduce the amounts which have been granted as increases to a member pursuant to subsection 2 of this section if the cost of living, as determined by the board and as measured by

generally accepted standards, is less than the cost of living was at the time of the first increase granted to the member; provided that, the reductions shall not exceed the amount of increases which have been made to the member's allowance after December 31, 1981.

4. (1) In lieu of the retirement allowance provided in subsection 1 of this section, called option 1, a member whose creditable service is twenty-five years or more or who has attained age fifty-five with five or more years of creditable service may elect, in the application for retirement, to receive the actuarial equivalent of the member's retirement allowance in reduced monthly payments for life during retirement with the provision that:

Option 2. Upon the member's death, the reduced retirement allowance shall be continued throughout the life of and paid to such person as has an insurable interest in the life of the member as the member shall have nominated in the member's election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance will be increased to the amount the retired member would be receiving had the member elected option 1; OR

Option 3. Upon the death of the member three-fourths of the reduced retirement allowance shall be continued throughout the life of and paid to such person as has an insurable interest in the life of the member and as the member shall have nominated in an election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance will be increased to the amount the retired member would be receiving had the member elected option 1; OR

Option 4. Upon the death of the member one-half of the reduced retirement allowance shall be continued throughout the life of, and paid to, such person as has an insurable interest in the life of the member and as the member shall have nominated in an election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance shall be increased to the amount the retired member would be receiving had the member elected option 1; OR

Option 5. Upon the death of the member prior to the member having received one hundred twenty monthly payments of the member's reduced allowance, the remainder of the one hundred twenty monthly payments of the reduced allowance shall be paid to such beneficiary as the member shall have nominated in the member's election of the option or in a subsequent nomination. If there is no beneficiary so nominated who survives the member for the remainder of the one hundred twenty monthly payments, the reserve for the remainder of such one hundred twenty monthly payments shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the last person, in that order of precedence, to receive a monthly allowance in a lump sum payment. If the total of the one hundred twenty payments paid to the retired individual and the beneficiary of the retired individual is less than the total of the member's accumulated contributions, the difference shall be paid to the beneficiary in a lump sum; OR

Option 6. Upon the death of the member prior to the member having received sixty monthly payments of the member's reduced allowance, the remainder of the sixty monthly payments of the reduced allowance shall be paid to such beneficiary as the member shall have nominated in the member's election of the option or in a subsequent nomination. If there is no beneficiary so nominated who survives the member for the remainder of the sixty monthly payments, the reserve for the remainder of such sixty monthly payments shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the last person, in that order of precedence, to receive a monthly allowance in a lump sum payment. If the total of the sixty payments paid to the retired individual and the beneficiary of the retired

individual is less than the total of the member's accumulated contributions, the difference shall be paid to the beneficiary in a lump sum; OR

Option 7. A plan of variable monthly benefit payments which provides, in conjunction with the member's retirement benefits under the federal Social Security laws, level or near-level retirement benefit payments to the member for life during retirement, and if authorized, to an appropriate beneficiary designated by the member. Such a plan shall be actuarially equivalent to the retirement allowance under option 1 and shall be available for election only if established by the board of trustees under duly adopted rules.

(2) The election of an option may be made only in the application for retirement and such application must be filed prior to the date on which the retirement of the member is to be effective. If either the member or the person nominated dies before the effective date of retirement, the option shall not be effective, provided that:

(a) If the member or a person retired on disability retirement dies after attaining age fifty-five and acquiring five or more years of creditable service or after acquiring twenty-five or more years of creditable service and before retirement, except retirement with disability benefits, and the person named by the member as the member's beneficiary has an insurable interest in the life of the deceased member, the designated beneficiary may elect to receive either survivorship payments under option 2 or a payment of the member's accumulated contributions. If survivorship benefits under option 2 are elected and the member at the time of death would have been eligible to receive an actuarial equivalent of the member's retirement allowance, the designated beneficiary may further elect to defer the option 2 payments until the date the member would have been eligible to receive the retirement allowance provided in subsection 1 of this section.

(b) If the member or a person retired on disability retirement dies before attaining age fifty-five but after acquiring five but fewer than twenty-five years of creditable service, and the person named as the beneficiary has an insurable interest in the life of the deceased member or disability retiree, the designated beneficiary may elect to receive either a payment of the person's accumulated contributions or survivorship benefits under option 2 to begin on the date the member would first have been eligible to receive an actuarial equivalent of the person's retirement allowance, or to begin on the date the member would first have been eligible to receive the retirement allowance provided in subsection 1 of this section.

5. If the total of the retirement or disability allowances paid to an individual before the person's death is less than the person's accumulated contributions at the time of the person's retirement, the difference shall be paid to the person's beneficiary or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or person's estate, in that order of precedence; provided, however, that if an optional benefit, as provided in option 2, 3 or 4 in subsection 4 of this section, had been elected and the beneficiary dies after receiving the optional benefit, then, if the total retirement allowances paid to the retired individual and the individual's beneficiary are less than the total of the contributions, the difference shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the beneficiary, in that order of precedence, unless the retired individual designates a different recipient with the board at or after retirement.

6. If a member dies and his or her financial institution is unable to accept the final payment or payments due to the member, the final payment or payments shall be paid to the beneficiary of the member or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in equal

shares, or estate of the member, in that order of precedence, unless otherwise stated. If the beneficiary of a deceased member dies and his or her financial institution is unable to accept the final payment or payments, the final payment or payments shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the member, in that order of precedence, unless otherwise stated.

7. If a member dies before receiving a retirement allowance, the member's accumulated contributions at the time of the member's death shall be paid to the member's beneficiary or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or to the member's estate; provided, however, that no such payment shall be made if the beneficiary elects option 2 in subsection 4 of this section, unless the beneficiary dies before having received benefits pursuant to that subsection equal to the accumulated contributions of the member, in which case the amount of accumulated contributions in excess of the total benefits paid pursuant to that subsection shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the beneficiary, in that order of precedence.

8. If a member ceases to be an employee as defined in section 169.600 and certifies to the board of trustees that such cessation is permanent or if the person's membership is otherwise terminated, the person shall be paid the person's accumulated contributions with interest.

9. Notwithstanding any provisions of sections 169.600 to 169.715 to the contrary, if a member ceases to be an employee as defined in section 169.600 after acquiring five or more years of creditable service, the member may, at the option of the member, leave the member's contributions with the retirement system and claim a retirement allowance any time after the member reaches the minimum age for voluntary retirement. When the member's claim is presented to the board, the member shall be granted an allowance as provided in sections 169.600 to 169.715 on the basis of the member's age and years of service.

10. The retirement allowance of a member retired because of disability shall be nine-tenths of the allowance to which the member's creditable service would entitle the member if the member's age were sixty.

11. Notwithstanding any provisions of sections 169.600 to 169.715 to the contrary, any member who is a member prior to October 13, 1969, may elect to have the member's retirement allowance computed in accordance with sections 169.600 to 169.715 as they existed prior to October 13, 1969.

12. Any application for retirement shall include a sworn statement by the member certifying that the spouse of the member at the time the application was completed was aware of the application and the plan of retirement elected in the application.

13. Notwithstanding any other provision of law, any person retired prior to August 14, 1984, who is receiving a reduced retirement allowance under option 1 or 2 of subsection 4 of this section, as the option existed prior to August 14, 1984, and whose beneficiary nominated to receive continued retirement allowance payments under the elected option dies or has died, shall upon application to the board of trustees have the person's retirement allowance increased to the amount the person would have been receiving had the person not elected the option actuarially adjusted to recognize any excessive benefits which would have been paid to the person up to the time of the application.

14. Benefits paid pursuant to the provisions of the public education employee retirement system of Missouri shall not exceed the limitations of Section 415 of Title 26 of the United States Code, except as

provided under this subsection. Notwithstanding any other law, the board of trustees may establish a benefit plan under Section 415(m) of Title 26 of the United States Code. Such plan shall be credited solely for the purpose described in Section 415(m)(3)(A) of Title 26 of the United States Code. The board of trustees may promulgate regulations necessary to implement the provisions of this subsection and to create and administer such benefit plan.

15. Any member who has retired prior to July 1, 1999, and the designated beneficiary of a deceased retired member upon request shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging. As compensation for such duties the person shall receive a payment equivalent to seven and four-tenths percent of the previous month's benefit, which shall be added to the member's or beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 2 and 3 of this section for the purposes of the limit on the total amount of increases which may be received.

16. Any member who has retired prior to July 1, 2000, and the designated beneficiary of a deceased retired member upon request shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging. As compensation for such duties the person shall receive a payment equivalent to three and four-tenths percent of the previous month's benefit, which shall be added to the member's or beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 2 and 3 of this section for the purposes of the limit on the total amount of increases which may be received.

17. Any member who has retired prior to July 1, 2001, and the designated beneficiary of a deceased retired member upon request shall be made, constituted, appointed and employed by the board as a special consultant on the matters of education, retirement and aging. As compensation for such duties the person shall receive a payment equivalent to seven and one-tenth percent of the previous month's benefit, which shall be added to the member's or beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 2 and 3 of this section for the purposes of the limit on the total amount of increases which may be received.”; and

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

#### HOUSE AMENDMENT NO. 2

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 17, Page 1, in the Title, Line 3, by deleting from said line the phrase: “advisory councils in”; and

Further amend said bill, Section 161.249, Page 2, Line 24, by inserting after all of said line the following:

**“170.340. Books of a religious nature may be used in the classroom as part of instruction in elective courses in literature and history, so long as such books are not used in a manner so as to violate the establishment clause of the United States Constitution.”; and**

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

#### HOUSE AMENDMENT NO. 3

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 17, Page 2, Section 161.249, Line 24, by inserting after said line the following:

“168.021. 1. Certificates of license to teach in the public schools of the state shall be granted as follows:

(1) By the state board, under rules and regulations prescribed by it:

- (a) Upon the basis of college credit;
- (b) Upon the basis of examination;

(2) By the state board, under rules and regulations prescribed by the state board with advice from the advisory council established by section 168.015 to any individual who presents to the state board a valid doctoral degree from an accredited institution of higher education accredited by a regional accrediting association such as North Central Association. Such certificate shall be limited to the major area of postgraduate study of the holder, shall be issued only after successful completion of the examination required for graduation pursuant to rules adopted by the state board of education, and shall be restricted to those certificates established pursuant to subdivision (1) of subsection 3 of this section;

(3) By the state board, which shall issue the professional certificate classification in both the general and specialized areas most closely aligned with the current areas of certification approved by the state board, commensurate with the years of teaching experience of the applicant, and based upon the following criteria:

(a) Recommendation of a state-approved baccalaureate-level teacher preparation program;

(b) Successful attainment of the Missouri qualifying score on the exit assessment for teachers or administrators designated by the state board of education. Applicants who have not successfully achieved a qualifying score on the designated examinations will be issued a two-year nonrenewable provisional certificate; and

(c) Upon completion of a background check as prescribed in section 168.133 and possession of a valid teaching certificate in the state from which the applicant's teacher preparation program was completed;

(4) By the state board, under rules prescribed by it, on the basis of a relevant bachelor's degree, or higher degree, and a passing score for the designated exit examination, for individuals whose academic degree and professional experience are suitable to provide a basis for instruction solely in the subject matter of banking or financial responsibility, at the discretion of the state board. Such certificate shall be limited to the major area of study of the holder and shall be restricted to those certificates established under subdivision (1) of subsection 3 of this section. Holders of certificates granted under this subdivision shall be exempt from the teacher tenure act under sections 168.102 to 168.130 and each school district shall have the decision-making authority on whether to hire the holders of such certificates; or

(5) By the state board, under rules and regulations prescribed by it, on the basis of certification by the American Board for Certification of Teacher Excellence (ABCTE) and verification of ability to work with children as demonstrated by sixty contact hours in any one of the following areas as validated by the school principal: sixty contact hours in the classroom, of which at least forty-five must be teaching; sixty contact hours as a substitute teacher, with at least thirty consecutive hours in the same classroom; sixty contact hours of teaching in a private school; or sixty contact hours of teaching as a paraprofessional, for an initial four-year ABCTE certificate of license to teach[, except that such certificate shall not be granted for the areas of early childhood education, elementary education, or special education]. Upon the completion of the requirements listed in paragraphs (a), (b), (c), and (d) of this subdivision, an applicant shall be eligible to apply for a career continuous professional certificate under subdivision (2) of subsection 3 of this section:

(a) Completion of thirty contact hours of professional development within four years, which may include hours spent in class in an appropriate college curriculum;

(b) Validated completion of two years of the mentoring program of the American Board for Certification of Teacher Excellence or a district mentoring program approved by the state board of education;

(c) Attainment of a successful performance-based teacher evaluation; and

(d) Participate in a beginning teacher assistance program.

2. All valid teaching certificates issued pursuant to law or state board policies and regulations prior to September 1, 1988, shall be exempt from the professional development requirements of this section and shall continue in effect until they expire, are revoked or suspended, as provided by law. When such certificates are required to be renewed, the state board or its designee shall grant to each holder of such a certificate the certificate most nearly equivalent to the one so held. Anyone who holds, as of August 28, 2003, a valid PC-I, PC-II, or continuous professional certificate shall, upon expiration of his or her current certificate, be issued the appropriate level of certificate based upon the classification system established pursuant to subsection 3 of this section.

3. Certificates of license to teach in the public schools of the state shall be based upon minimum requirements prescribed by the state board of education which shall include completion of a background check as prescribed in section 168.133. The state board shall provide for the following levels of professional certification: an initial professional certificate and a career continuous professional certificate.

(1) The initial professional certificate shall be issued upon completion of requirements established by the state board of education and shall be valid based upon verification of actual teaching within a specified time period established by the state board of education. The state board shall require holders of the four-year initial professional certificate to:

(a) Participate in a mentoring program approved and provided by the district for a minimum of two years;

(b) Complete thirty contact hours of professional development, which may include hours spent in class in an appropriate college curriculum, or for holders of a certificate under subdivision (4) of subsection 1 of this section, an amount of professional development in proportion to the certificate holder's hours in the classroom, if the certificate holder is employed less than full time; and

(c) Participate in a beginning teacher assistance program;

(2) (a) The career continuous professional certificate shall be issued upon verification of completion of four years of teaching under the initial professional certificate and upon verification of the completion of the requirements articulated in paragraphs (a), (b), and (c) of subdivision (1) of this subsection or paragraphs (a), (b), (c), and (d) of subdivision (5) of subsection 1 of this section.

(b) The career continuous professional certificate shall be continuous based upon verification of actual employment in an educational position as provided for in state board guidelines and completion of fifteen contact hours of professional development per year which may include hours spent in class in an appropriate college curriculum. Should the possessor of a valid career continuous professional certificate fail, in any given year, to meet the fifteen-hour professional development requirement, the possessor may, within two years, make up the missing hours. In order to make up for missing hours, the possessor shall first complete the fifteen-hour requirement for the current year and then may count hours in excess of the current year requirement as make-up hours. Should the possessor fail to make up the missing hours within two years, the certificate shall become inactive. In order to reactivate the certificate, the possessor shall complete

twenty-four contact hours of professional development which may include hours spent in the classroom in an appropriate college curriculum within the six months prior to or after reactivating his or her certificate. The requirements of this paragraph shall be monitored and verified by the local school district which employs the holder of the career continuous professional certificate.

(c) A holder of a career continuous professional certificate shall be exempt from the professional development contact hour requirements of paragraph (b) of this subdivision if such teacher has a local professional development plan in place within such teacher's school district and meets two of the three following criteria:

- a. Has ten years of teaching experience as defined by the state board of education;
- b. Possesses a master's degree; or
- c. Obtains a rigorous national certification as approved by the state board of education.

4. Policies and procedures shall be established by which a teacher who was not retained due to a reduction in force may retain the current level of certification. There shall also be established policies and procedures allowing a teacher who has not been employed in an educational position for three years or more to reactivate his or her last level of certification by completing twenty-four contact hours of professional development which may include hours spent in the classroom in an appropriate college curriculum within the six months prior to or after reactivating his or her certificate.

5. The state board shall, upon completion of a background check as prescribed in section 168.133, issue a professional certificate classification in the areas most closely aligned with an applicant's current areas of certification, commensurate with the years of teaching experience of the applicant, to any person who is hired to teach in a public school in this state and who possesses a valid teaching certificate from another state or certification under subdivision (4) of subsection 1 of this section, provided that the certificate holder shall annually complete the state board's requirements for such level of certification, and shall establish policies by which residents of states other than the state of Missouri may be assessed a fee for a certificate license to teach in the public schools of Missouri. Such fee shall be in an amount sufficient to recover any or all costs associated with the issuing of a certificate of license to teach. The board shall promulgate rules to authorize the issuance of a provisional certificate of license, which shall allow the holder to assume classroom duties pending the completion of a criminal background check under section 168.133, for any applicant who:

- (1) Is the spouse of a member of the Armed Forces stationed in Missouri;
- (2) Relocated from another state within one year of the date of application;
- (3) Underwent a criminal background check in order to be issued a teaching certificate of license from another state; and
- (4) Otherwise qualifies under this section.

6. The state board may assess to holders of an initial professional certificate a fee, to be deposited into the excellence in education revolving fund established pursuant to section 160.268, for the issuance of the career continuous professional certificate. However, such fee shall not exceed the combined costs of issuance and any criminal background check required as a condition of issuance. Applicants for the initial ABCTE certificate shall be responsible for any fees associated with the program leading to the issuance of the certificate, but nothing in this section shall prohibit a district from developing a policy that permits fee

reimbursement.

7. Any member of the public school retirement system of Missouri who entered covered employment with ten or more years of educational experience in another state or states and held a certificate issued by another state and subsequently worked in a school district covered by the public school retirement system of Missouri for ten or more years who later became certificated in Missouri shall have that certificate dated back to his or her original date of employment in a Missouri public school.

[8. The provisions of subdivision (5) of subsection 1 of this section, as well as any other provision of this section relating to the American Board for Certification of Teacher Excellence, shall terminate on August 28, 2014.]"; and

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

#### HOUSE AMENDMENT NO. 4

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 17, Page 1, In the title, Line 3, by deleting the words, "advisory councils in"; and

Further amend said bill, Page 2, Section 161.249, Line 24, by inserting after all of said line the following:

"169.270. Unless a different meaning is clearly required by the context, the following words and phrases as used in sections 169.270 to 169.400 shall have the following meanings:

(1) "Accumulated contributions", the sum of all amounts deducted from the compensation of a member or paid on behalf of the member by the employer and credited to the member's individual account together with interest thereon in the employees' contribution fund. The board of trustees shall determine the rate of interest allowed thereon as provided for in section 169.295;

(2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of formulas and/or tables which have been approved by the board of trustees. The formulas and tables in effect at any time shall be set forth in a written document which shall be maintained at the offices of the retirement system and treated for all purposes as part of the documents governing the retirement system established by section 169.280. The formulas and tables may be changed from time to time if recommended by the retirement system's actuary and approved by the board of trustees;

(3) "Average final compensation", the highest average annual compensation received for any four consecutive years of service. In determining whether years of service are "consecutive", only periods for which creditable service is earned shall be considered, and all other periods shall be disregarded;

(4) "Beneficiary", any person designated by a member for a retirement allowance or other benefit as provided by sections 169.270 to 169.400;

(5) "Board of education", the board of directors or corresponding board, by whatever name, having charge of the public schools of the school district in which the retirement system is established;

(6) "Board of trustees", the board provided for in section 169.291 to administer the retirement system;

(7) "Break in service", an occurrence when a regular employee ceases to be a regular employee for any reason other than retirement (including termination of employment, resignation, or furlough but not including vacation, sick leave, excused absence or leave of absence granted by an employer) and such person does not again become a regular employee until after sixty consecutive calendar days have elapsed,

or after fifteen consecutive school or work days have elapsed, whichever occurs later. A break in service also occurs when a regular employee retires under the retirement system established by section 169.280 and does not again become a regular employee until after fifteen consecutive school or work days have elapsed. A “school or work day” is a day on which the employee’s employer requires (or if the position no longer exists, would require, based on past practice) employees having the former employee’s last job description to report to their place of employment for any reason;

(8) “Charter school”, any charter school established pursuant to sections 160.400 to 160.420 and located, at the time it is established, within the school district;

(9) “Compensation”, the regular compensation as shown on the salary and wage schedules of the employer, including any amounts paid by the employer on a member’s behalf pursuant to subdivision (5) of subsection 1 of section 169.350, but such term is not to include extra pay, overtime pay, consideration for entering into early retirement, or any other payments not included on salary and wage schedules. For any year beginning after December 31, 1988, the annual compensation of each member taken into account under the retirement system shall not exceed the limitation set forth in Section 401(a)(17) of the Internal Revenue Code of 1986, as amended;

(10) “Creditable service”, the amount of time that a regular employee is a member of the retirement system and makes contributions thereto in accordance with the provisions of sections 169.270 to 169.400;

(11) “Employee”, any person who is classified by the school district, a charter school, the library district or the retirement system established by section 169.280 as an employee of such employer and is reported contemporaneously for federal and state tax purposes as an employee of such employer. A person is not considered to be an employee for purposes of such retirement system with respect to any service for which the person was not reported contemporaneously for federal and state tax purposes as an employee of such employer, regardless of whether the person is or may later be determined to be or to have been a common law employee of such employer, including but not limited to a person classified by the employer as independent contractors and persons employed by other entities which contract to provide staff and services to the employer. In no event shall a person reported for federal tax purposes as an employee of a private, for-profit entity be deemed to be an employee eligible to participate in the retirement system established by section 169.280 with respect to such employment;

(12) “Employer”, the school district, any charter school, the library district, or the retirement system established by section 169.280, or any combination thereof, as required by the context to identify the employer of any member, or, for purposes only of subsection 2 of section 169.324, of any retiree;

(13) “Employer’s board”, the board of education, the governing board of any charter school, the board of trustees of the library district, the board of trustees, or any combination thereof, as required by the context to identify the governing body of an employer;

(14) “Library district”, any urban public library district created from or within a school district under the provisions of section 182.703;

(15) “Medical board”, the board of physicians provided for in section 169.291;

(16) “Member”, any person who is a regular employee after the retirement system has been established hereunder (“active member”), and any person who (i) was an active member, (ii) has vested retirement benefits hereunder, and (iii) is not receiving a retirement allowance hereunder (“inactive member”). **A person shall cease to be a member if the person has a break in service before earning any vested**

**retirement benefits or if the person withdraws his or her accumulated contributions from the retirement system;**

(17) **“Minimum normal retirement age”, for any member who retires before January 1, 2014, or who is a member of the retirement system on December 31, 2013, and remains a member continuously to retirement, the earlier of the date the member attains the age of sixty or the date the member has a total of at least seventy-five credits, with each year of creditable service and each year of age equal to one credit[,] and with both years of creditable service and years of age prorated for fractional years; for any person who becomes a member of the retirement system on or after January 1, 2014, including any person who was previously a member of the retirement system before January 1, 2014, but ceased to be a member for any reason other than retirement, the earlier of the date the member attains the age of sixty-two or the date the member has a total of at least eighty credits, with each year of creditable service and each year of age equal to one credit and with both years of creditable service and years of age prorated for fractional years;**

(18) **“Prior service”, service prior to the date the system becomes operative which is creditable in accordance with the provisions of section 169.311. Prior service in excess of thirty-eight years shall be considered thirty-eight years;**

(19) **“Regular employee”, any employee who is assigned to an established position which requires service of not less than twenty-five hours per week, and not less than nine calendar months a year. Any regular employee who is subsequently assigned without break in service to a position demanding less service than is required of a regular employee shall continue the employee’s status as a regular employee. Except as stated in the preceding sentence, a temporary, part-time, or furloughed employee is not a regular employee;**

(20) **“Retirant”, a former member receiving a retirement allowance hereunder;**

(21) **“Retirement allowance”, annuity payments to a retirant or to such beneficiary as is entitled to same;**

(22) **“School district”, any school district in which a retirement system shall be established under section 169.280.**

169.291. 1. The general administration and the responsibility for the proper operation of the retirement system are hereby vested in a board of trustees of twelve persons who shall be resident taxpayers of the school district, as follows:

(1) Four trustees to be appointed for terms of four years by the board of education; provided, however, that the terms of office of the first four trustees so appointed shall begin immediately upon their appointment and shall expire one, two, three and four years from the date the retirement system becomes operative, respectively;

(2) Four trustees to be elected for terms of four years by and from the members of the retirement system; provided, however, that the terms of office of the first four trustees so elected shall begin immediately upon their election and shall expire one, two, three and four years from the date the retirement system becomes operative, respectively;

(3) The ninth trustee shall be the superintendent of schools of the school district;

(4) The tenth trustee shall be one retirant of the retirement system elected for a term of four years beginning the first day of January immediately following August 13, 1986, by the retirants of the retirement

system;

(5) The eleventh trustee shall be appointed for a term of four years beginning the first day of January immediately following August 13, 1990, by the board of trustees described in subdivision (3) of section 182.701;

(6) The twelfth trustee shall be a retirant of the retirement system elected for a term of four years beginning the first day of January immediately following August 28, 1992, by the retirants of the retirement system.

2. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled, except that the board of trustees may appoint a qualified person to fill the vacancy in the office of an elected member until the next regular election at which time a member shall be elected for the unexpired term. No vacancy or vacancies on the board of trustees shall impair the power of the remaining trustees to administer the retirement system pending the filling of such vacancy or vacancies.

3. In the event of a lapse of the school district's corporate organization as described in subsections 1 and 4 of section 162.081, the general administration and responsibility for the proper operation of the retirement system shall continue to be vested in a twelve-person board of trustees, all of whom shall be resident taxpayers of a city, other than a city not within a county, of four hundred thousand or more. In such event, if vacancies occur in the offices of the four trustees appointed, prior to the lapse, by the board of education, or in the offices of the four trustees elected, prior to the lapse, by the members of the retirement system, or in the office of trustee held, prior to the lapse, by the superintendent of schools in the school district, as provided in subdivisions (1), (2) and (3) of subsection 1 of this section, the board of trustees shall appoint a qualified person to fill each vacancy and subsequent vacancies in the office of trustee for terms of up to four years, as determined by the board of trustees.

4. Each trustee shall, before assuming the duties of a trustee, take the oath of office before the court of the judicial circuit or one of the courts of the judicial circuit in which the school district is located that so far as it devolves upon the trustee, such trustee shall diligently and honestly administer the affairs of the board of trustees and that the trustee will not knowingly violate or willingly permit to be violated any of the provisions of the law applicable to the retirement system. Such oath shall be subscribed to by the trustee making it and filed in the office of the clerk of the circuit court.

5. Each trustee shall be entitled to one vote in the board of trustees. Seven trustees shall constitute a quorum at any meeting of the board of trustees. At any meeting of the board of trustees where a quorum is present, the vote of at least seven of the trustees in support of a motion, resolution or other matter is necessary to be the decision of the board; provided, however, that in the event of a lapse in the school district's corporate organization as described in subsections 1 and 4 of section 162.081, a majority of the trustees then in office shall constitute a quorum at any meeting of the board of trustees, and the vote of a majority of the trustees then in office in support of a motion, resolution or other matter shall be necessary to be the decision of the board.

6. The board of trustees shall have exclusive original jurisdiction in all matters relating to or affecting the funds herein provided for, including, in addition to all other matters, all claims for benefits or refunds, and its action, decision or determination in any matter shall be reviewable in accordance with chapter 536 or chapter 621. Subject to the limitations of sections 169.270 to 169.400, the board of trustees shall, from time to time, establish rules and regulations for the administration of funds of the retirement system, for the

transaction of its business, and for the limitation of the time within which claims may be filed.

7. The trustees shall serve without compensation. The board of trustees shall elect from its membership a chairman and a vice chairman. The board of trustees shall appoint an executive director who shall serve as the administrative officer of the retirement system and as secretary to the board of trustees. It shall employ one or more persons, firms or corporations experienced in the investment of moneys to serve as investment counsel to the board of trustees. The compensation of all persons engaged by the board of trustees and all other expenses of the board necessary for the operation of the retirement system shall be paid at such rates and in such amounts as the board of trustees shall approve, and shall be paid from the investment income.

8. The board of trustees shall keep in convenient form such data as shall be necessary for actuarial valuations of the various funds of the retirement system and for checking the experience of the system.

9. The board of trustees shall keep a record of all its proceedings which shall be open to public inspection. It shall prepare annually and furnish to the board of education and to each member of the retirement system who so requests a report showing the fiscal transactions of the retirement system for the preceding fiscal year, the amount of accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the retirement system.

10. The board of trustees shall have, in its own name, power to sue and to be sued, to enter into contracts, to own property, real and personal, and to convey the same; but the members of such board of trustees shall not be personally liable for obligations or liabilities of the board of trustees or of the retirement system.

11. The board of trustees shall arrange for necessary legal advice for the operation of the retirement system.

12. The board of trustees shall designate a medical board to be composed of three or more physicians who shall not be eligible for membership in the system and who shall pass upon all medical examinations required under the provisions of sections 169.270 to 169.400, shall investigate all essential statements and certificates made by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the board of trustees its conclusions and recommendations upon all matters referred to it.

13. The board of trustees shall designate an actuary who shall be the technical advisor of the board of trustees on matters regarding the operation of the retirement system and shall perform such other duties as are required in connection therewith. Such person shall be qualified as an actuary by membership as a Fellow of the Society of Actuaries or by similar objective standards.

14. At least once in each five-year period the actuary shall make an investigation into the actuarial experience of the members, retirants and beneficiaries of the retirement system and, taking into account the results of such investigation, the board of trustees shall adopt for the retirement system such actuarial assumptions as the board of trustees deems necessary for the financial soundness of the retirement system.

15. On the basis of such actuarial assumptions as the board of trustees adopts, the actuary shall make annual valuations of the assets and liabilities of the funds of the retirement system.

16. The rate of contribution payable by the [employer] **employers** shall equal one and ninety-nine one-

hundredths percent, effective July 1, 1993; three and ninety-nine one-hundredths percent, effective July 1, 1995; five and ninety-nine one-hundredths percent, effective July 1, 1996; seven and one-half percent effective January 1, 1999, and for [all] subsequent **calendar** years **through 2013. For calendar year 2014 and each subsequent year, the rate of contribution payable by the employers for each year shall be determined by the actuary for the retirement system in the manner provided in subsection 4 of section 169.350 and shall be certified by the board of trustees to the employers at least six months prior to the date such rate is to be effective.**

17. In the event of a lapse of a school district's corporate organization as described in subsections 1 and 4 of section 162.081, no retirement system, nor any of the assets of any retirement system, shall be transferred to or merged with another retirement system without prior approval of such transfer or merge by the board of trustees of the retirement system.

169.301. 1. Any active member who has completed five or more years of actual (not purchased) creditable service shall be entitled to a vested retirement benefit equal to the annual service retirement allowance provided in sections 169.270 to 169.400 payable after attaining the minimum normal retirement age and calculated in accordance with the law in effect on the last date such person was a regular employee; provided, that such member does not withdraw such person's accumulated contributions pursuant to section 169.328 prior to attaining the minimum normal retirement age.

2. Any member who elected on October 13, 1961, or within thirty days thereafter, to continue to contribute and to receive benefits under sections 169.270 to 169.400 may continue to be a member of the retirement system under the terms and conditions of the plan in effect immediately prior to October 13, 1961, or may, upon written request to the board of trustees, transfer to the present plan, provided that the member pays into the system any additional contributions with interest the member would have credited to the member's account if such person had been a member of the current plan since its inception or, if the person's contributions and interest are in excess of what the person would have paid, such person will receive a refund of such excess. The board of trustees shall adopt appropriate rules and regulations governing the operation of the plan in effect immediately prior to October 13, 1961.

3. Should a retirant again become an active member, such person's retirement allowance payments shall cease during such membership and shall be recalculated upon subsequent retirement to include any creditable service earned during the person's latest period of active membership in accordance with subsection 2 of section 169.324.

4. In the event of the complete termination of the retirement system established by section 169.280 or the complete discontinuance of contributions to such retirement system, the rights of all members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be fully vested and nonforfeitable.

5. If a member leaves employment with an employer to perform qualified military service, as defined in Section 414(u) of the Internal Revenue Code of 1986, as amended, and dies while in such service, the member's survivors shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided had the member resumed employment with the employer and then terminated on account of death in accordance with the requirements of Sections [407(a)(37)] **401(a)(37)** and 414(u) of the Internal Revenue Code of 1986, as amended. In such event, the member's period of qualified military [services] **service** shall be counted as creditable service for purposes of vesting but not for purposes of determining the amount of the member's retirement allowance.

169.324. 1. The annual service retirement allowance payable pursuant to section 169.320 [in equal monthly installments for life shall be the retirant's number of years of creditable service multiplied by one and three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation. For any member who retires as an active member on or after June 30, 1999, the annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life shall be the retirant's number of years of creditable service multiplied by two percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation. Any member whose number of years of creditable service is greater than thirty-four and one-quarter on August 28, 1993, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service as of August 28, 1993, multiplied by one and three-fourths percent of the person's average final compensation but shall not receive a greater annual service retirement allowance based on additional years of creditable service after August 28, 1993. Provided, however, that,] **shall be the retirant's number of years of creditable service multiplied by a percentage of the retirant's average final compensation, determined as follows:**

**(1) A retirant whose last employment as a regular employee ended prior to June 30, 1999, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service multiplied by one and three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation;**

**(2) A retirant whose number of years of creditable service is greater than thirty-four and one-quarter on August 28, 1993, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service as of August 28, 1993, multiplied by one and three-fourths percent of the person's average final compensation but shall not receive a greater annual service retirement allowance based on additional years of creditable service after August 28, 1993;**

**(3) A retirant who was an active member of the retirement system at any time on or after June 30, 1999, and who either retires before January 1, 2014, or is a member of the retirement system on December 31, 2013, and remains a member continuously to retirement shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service multiplied by two percent of the person's average final compensation, subject to a maximum of sixty percent of the person's final compensation;**

**(4) A retirant who becomes a member of the retirement system on or after January 1, 2014, including any retirant who was a member of the retirement system before January 1, 2014, but ceased to be a member for any reason other than retirement, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service multiplied by one and three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation;**

**(5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective January 1, 1996, any [retiree] retirant who retired on, before or after January 1, 1996, with at least twenty years of**

creditable service shall receive at least three hundred dollars each month as a retirement allowance, or the actuarial equivalent thereof if the [retiree] **retirant** elected any of the options available under section 169.326. [Provided, further, any retiree] **Any retirant** who retired with at least ten years of creditable service shall receive at least one hundred fifty dollars each month as a retirement allowance, plus fifteen dollars for each additional full year of creditable service greater than ten years but less than twenty years (or the actuarial equivalent thereof if the [retiree] **retirant** elected any of the options available under section 169.326). Any beneficiary of a deceased [retiree] **retirant** who retired with at least ten years of creditable service and elected one of the options available under section 169.326 shall also be entitled to the actuarial equivalent of the minimum benefit provided by this subsection, determined from the option chosen.

2. Except as otherwise provided in sections 169.331, 169.580 and 169.585, payment of a retirant's retirement allowance will be suspended for any month for which such person receives remuneration from the person's employer or from any other employer in the retirement system established by section 169.280 for the performance of services except any such person other than a person receiving a disability retirement allowance under section 169.322 may serve as a nonregular substitute, part-time or temporary employee for not more than six hundred hours in any school year without becoming a member and without having the person's retirement allowance discontinued, provided that through such substitute, part-time, or temporary employment, the person may earn no more than fifty percent of the annual salary or wages the person was last paid by the employer before the person retired and commenced receiving a retirement allowance, adjusted for inflation. If a person exceeds such hours limit or such compensation limit, payment of the person's retirement allowance shall be suspended for the month in which such limit was exceeded and each subsequent month in the school year for which the person receives remuneration from any employer in the retirement system. If a retirant is reemployed by any employer in any capacity, whether pursuant to this section, or section 169.331, 169.580, or 169.585, or as a regular employee, the amount of such person's retirement allowance attributable to service prior to the person's first retirement date shall not be changed by the reemployment. If the person again becomes an active member and earns additional creditable service, upon the person's second retirement the person's retirement allowance shall be the sum of:

(1) The retirement allowance the person was receiving at the time the person's retirement allowance was suspended, pursuant to the payment option elected as of the first retirement date, plus the amount of any increase in such retirement allowance the person would have received pursuant to subsection 3 of this section had payments not been suspended during the person's reemployment; and

(2) An additional retirement allowance computed using the benefit formula in effect on the person's second retirement date, the person's creditable service following reemployment, and the person's average final annual compensation as of the second retirement date. The sum calculated pursuant to this subsection shall not exceed the greater of sixty percent of the person's average final compensation as of the second retirement date or the amount determined pursuant to subdivision (1) of this subsection. Compensation earned prior to the person's first retirement date shall be considered in determining the person's average final compensation as of the second retirement date if such compensation would otherwise be included in determining the person's average final compensation.

3. The board of trustees shall determine annually whether the investment return on funds of the system can provide for an increase in benefits for retirants eligible for such increase. A retirant shall and will be eligible for an increase awarded pursuant to this section as of the second January following the date the retirant commenced receiving retirement benefits. Any such increase shall also apply to any monthly joint and survivor retirement allowance payable to such retirant's beneficiaries, regardless of age. The board shall

make such determination as follows:

(1) After determination by the actuary of the investment return for the preceding year as of December thirty-first (the “valuation year”), the actuary shall recommend to the board of trustees what portion of the investment return is available to provide such benefits increase, if any, and shall recommend the amount of such benefits increase, if any, to be implemented as of the first day of the thirteenth month following the end of the valuation year, and [the] first payable on or about the first day of the fourteenth month following the end of the valuation year. The actuary shall make such recommendations so as not to affect the financial soundness of the retirement system, recognizing the following safeguards:

(a) The retirement system’s funded ratio as of January first of the year preceding the year of a proposed increase shall be at least one hundred percent after adjusting for the effect of the proposed increase. The funded ratio is the ratio of assets to the pension benefit obligation;

(b) The actuarially required contribution rate, after adjusting for the effect of the proposed increase, may not exceed the [statutory] **then applicable employer and member contribution rate as determined under subsection 4 of section 169.350;**

(c) The actuary shall certify to the board of trustees that the proposed increase will not impair the actuarial soundness of the retirement system;

(d) A benefit increase, under this section, once awarded, cannot be reduced in succeeding years;

(2) The board of trustees shall review the actuary’s recommendation and report and shall, in their discretion, determine if any increase is prudent and, if so, shall determine the amount of increase to be awarded.

4. This section does not guarantee an annual increase to any retiree.

5. If an inactive member becomes an active member after June 30, 2001, and after a break in service, unless the person earns at least four additional years of creditable service without another break in service, upon retirement the person’s retirement allowance shall be calculated separately for each separate period of service ending in a break in service. The retirement allowance shall be the sum of the separate retirement allowances computed for each such period of service using the benefit formula in effect, the person’s average final compensation as of the last day of such period of service and the creditable service the person earned during such period of service; provided, however, if the person earns at least four additional years of creditable service without another break in service, all of the person’s creditable service prior to and including such service shall be aggregated and, upon retirement, the retirement allowance shall be computed using the benefit formula in effect and the person’s average final compensation as of the last day of such period of four or more years and all of the creditable service the person earned prior to and during such period.

6. Notwithstanding anything contained in this section to the contrary, the amount of the annual service retirement allowance payable to any retiree pursuant to the provisions of sections 169.270 to 169.400, including any adjustments made pursuant to subsection 3 of this section, shall at all times comply with the provisions and limitations of Section 415 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, the terms of which are specifically incorporated herein by reference.

7. All retirement systems established by the laws of the state of Missouri shall develop a procurement action plan for utilization of minority and women money managers, brokers and investment counselors.

Such retirement systems shall report their progress annually to the joint committee on public employee retirement and the governor's minority advocacy commission.

169.350. 1. All of the assets of the retirement system (other than tangible real or personal property owned by the retirement system for use in carrying out its duties, such as office supplies and furniture) shall be credited, according to the purpose for which they are held, in either the employees' contribution fund or the general reserve fund.

(1) The employees' contribution fund shall be the fund in which shall be accumulated the contributions of the members. The employer shall, except as provided in subdivision (5) of this subsection, cause to be deducted from the compensation of each member on each and every payroll, for each and every payroll period, the pro rata portion of five and nine-tenths percent of his annualized compensation. Effective January 1, 1999, **through December 31, 2013**, the employer shall deduct an additional one and six-tenths percent of the member's annualized compensation. **For 2014 and for each subsequent year, the employer shall deduct from each member's annualized compensation the rate of contribution determined for such year by the actuary for the retirement system in the manner provided in subsection 4 of this section.**

(2) The employer shall pay all such deductions and any amount it may elect to pay pursuant to subdivision (5) of this subsection to the retirement system at once. The retirement system shall credit such deductions and such amounts to the individual account of each member from whose compensation the deduction was made or with respect to whose compensation the amount was paid pursuant to subdivision (5) of this subsection. In determining the deduction for a member in any payroll period, the board of trustees may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such period.

(3) The deductions provided for herein are declared to be a part of the compensation of the member and the making of such deductions shall constitute payments by the member out of the person's compensation and such deductions shall be made notwithstanding that the amount actually paid to the member after such deductions is less than the minimum compensation provided by law for any member. Every member shall be deemed to consent to the deductions made and provided for herein, and shall receipt for the person's full compensation, and the making of the deduction and the payment of compensation less the deduction shall be a full and complete discharge and acquittance of all claims and demands whatsoever for services rendered during the period covered by the payment except as to benefits provided by sections 169.270 to 169.400.

(4) The accumulated contributions with interest of a member withdrawn by the person or paid to the person's estate or designated beneficiary in the event of the person's death before retirement shall be paid from the employees' contribution fund. Upon retirement of a member the member's accumulated contributions with interest shall be transferred from the employees' contribution fund to the general reserve fund.

(5) The employer may elect to pay on behalf of all members all or part of the amount that the members would otherwise be required to contribute to the employees' contribution fund pursuant to subdivision (1) of this subsection. Such amounts paid by the employer shall be in lieu of members' contributions and shall be treated for all purposes of sections 169.270 to 169.400 as contributions made by members. Notwithstanding any other provision of this chapter to the contrary, no member shall be entitled to receive such amounts directly. The election shall be made by a duly adopted resolution of the employer's board and

shall remain in effect for at least one year from the effective date thereof. The election may be thereafter terminated only by an affirmative act of the employer's board notwithstanding any limitation in the term thereof in the adopting resolution. Any such termination resolution shall be adopted at least sixty days prior to the effective date thereof, and the effective date thereof shall coincide with a fiscal year-end of the employer. In the absence of such a termination resolution, the election shall remain in effect from fiscal year to fiscal year.

2. The general reserve fund shall be the fund in which shall be accumulated all reserves for the payment of all benefit expenses and other demands whatsoever upon the retirement system except those items heretofore allocated to the employees' contribution fund.

(1) All contributions by the employer, except those the employer elects to make on behalf of the members pursuant to subdivision (5) of subsection 1 of this section, shall be credited to the general reserve fund.

(2) Should a retirant be restored to active service and again become a member of the retirement system, the excess, if any, of the person's accumulated contributions over benefits received by the retirant shall be transferred from the general reserve fund to the employees' contribution fund and credited to the person's account.

3. Gifts, devises, bequests and legacies may be accepted by the board of trustees and deposited in the general reserve fund to be held, invested and used at its discretion for the benefit of the retirement system except where specific direction for the use of a gift is made by a donor.

**4. Beginning in 2013, the actuary for the retirement system shall annually calculate the rate of employer contributions and member contributions for 2014 and for each subsequent calendar year, expressed as a level percentage of the annualized compensation of the members, subject to the following:**

**(1) The rate of contribution for any calendar year shall be determined based on an actuarial valuation of the retirement system as of the first day of the prior calendar year. Such actuarial valuation shall be performed using the actuarial cost method and actuarial assumptions adopted by the board of trustees and in accordance with accepted actuarial standards of practice in effect at the time the valuation is performed, as promulgated by the actuarial standards board or its successor;**

**(2) The target combined employer and member contribution rate shall be the amount actuarially required to cover the normal cost and amortize any unfunded accrued actuarial liability over a period that shall not exceed thirty years from the date of the valuation;**

**(3) The target combined rate as so determined shall be allocated equally between the employer contribution rate and the member contribution rate, provided, however, that the level rate of contributions to be paid by the employers and the level rate of contributions to be deducted from the compensation of members for any calender year shall each be limited as follows:**

**(a) The contribution rate shall not be less than seven and one-half percent;**

**(b) The contribution rate shall not exceed nine percent; and**

**(c) Changes in the contribution rate from year to year shall be in increments of one-half percent such that the contribution rate for any year shall not be greater than or less than the rate in effect for the prior year by more than one-half percent;**

**(4) The board of trustees shall certify to the employers the contribution rate for the following calendar year no later than six months prior to the date such rate is to be effective.**

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

HOUSE AMENDMENT NO. 5

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 17, Page 2, Section 161.249, Line 24, by inserting after all of said line the following:

“168.221. 1. The first five years of employment of all teachers entering the employment of the metropolitan school district shall be deemed a period of probation during which period all appointments of teachers shall expire at the end of each school year. During the probationary period any probationary teacher whose work is unsatisfactory shall be furnished by the superintendent of schools with a written statement setting forth the nature of his **or her** incompetency. If improvement satisfactory to the superintendent is not made within one semester after the receipt of the statement, the probationary teacher shall be dismissed. The semester granted the probationary teacher in which to improve shall not in any case be a means of prolonging the probationary period beyond five years and six months from the date on which the teacher entered the employ of the board of education. The superintendent of schools on or before the fifteenth day of April in each year shall notify probationary teachers who will not be retained by the school district of the termination of their services. Any probationary teacher who is not so notified shall be deemed to have been appointed for the next school year. Any principal who prior to becoming a principal had attained permanent employee status as a teacher shall upon ceasing to be a principal have a right to resume his or her permanent teacher position with the time served as a principal being treated as if such time had been served as a teacher for the purpose of calculating seniority and pay scale. The rights and duties and remuneration of a teacher who was formerly a principal shall be the same as any other teacher with the same level of qualifications and time of service.

2. After completion of satisfactory probationary services, appointments of teachers shall become permanent, subject to removal for any one or more causes herein described and to the right of the board to terminate the services of all who attain the age of compulsory retirement fixed by the retirement system. In determining the duration of the probationary period of employment in this section specified, the time of service rendered as a substitute teacher shall not be included.

3. No teacher whose appointment has become permanent may be removed except for one or more of the following causes: immorality, **incompetency**, **or** inefficiency in line of duty, violation of the published regulations of the school district, violation of the laws of Missouri governing the public schools of the state, or physical or mental condition which incapacitates him for instructing or associating with children, and then only by a vote of not less than a majority of all the members of the board, upon written charges presented by the superintendent of schools, to be heard by the board after thirty days' notice, with copy of the charges served upon the person against whom they are preferred, who shall have the privilege of being present at the hearing, together with counsel, offering evidence and making defense thereto. [Notifications received by an employee during a vacation period shall be considered as received on the first day of the school term following.] At the request of any person so charged the hearing shall be public. During any time in which powers granted to the district's board of education are vested in a special administrative board, the special administrative board may appoint a hearing officer to conduct the hearing. The hearing officer shall conduct the hearing as a contested case under chapter 536 and shall issue a written recommendation to the board rendering the charges against the teacher. The board shall render a decision on the charges upon the

review of the hearing officer's recommendations and the record from the hearing. The action and decision of the board upon the charges shall be final. Pending the hearing of the charges, the person charged may be suspended if the rules of the board so prescribe, but in the event the board does not by a majority vote of all the members remove the teacher upon charges presented by the superintendent, the person shall not suffer any loss of salary by reason of the suspension. **Incompetency or** inefficiency in line of duty is cause for dismissal only after the teacher has been notified in writing at least [one semester] **thirty days** prior to the presentment of charges against him by the superintendent. The notification shall specify the nature of the **incompetency or** inefficiency with such particularity as to enable the teacher to be informed of the nature of his **or her incompetency or** inefficiency.

4. No teacher whose appointment has become permanent shall be demoted nor shall his **or her** salary be reduced unless the same procedure is followed as herein stated for the removal of the teacher because of inefficiency in line of duty, and any teacher whose salary is reduced or who is demoted may waive the presentment of charges against him by the superintendent and a hearing thereon by the board. The foregoing provision shall apply only to permanent teachers prior to the compulsory retirement age under the retirement system. Nothing herein contained shall in any way restrict or limit the power of the board of education to make reductions in the number of teachers or principals, or both, because of insufficient funds, decrease in pupil enrollment, or abolition of particular subjects or courses of instruction, except that the abolition of particular subjects or courses of instruction shall not cause those teachers who have been teaching the subjects or giving the courses of instruction to be placed on leave of absence as herein provided who are qualified to teach other subjects or courses of instruction, if positions are available for the teachers in the other subjects or courses of instruction.

5. Whenever it is necessary to decrease the number of teachers because of insufficient funds or a substantial decrease of pupil population within the school district, the board of education upon recommendation of the superintendent of schools may cause the necessary number of teachers beginning with those serving probationary periods to be placed on leave of absence without pay, but only in the inverse order of their appointment. Nothing herein stated shall prevent a readjustment by the board of education of existing salary schedules. No teacher placed on a leave of absence shall be precluded from securing other employment during the period of the leave of absence. Each teacher placed on leave of absence shall be reinstated in inverse order of his **or her** placement on leave of absence. Such reemployment shall not result in a loss of status or credit for previous years of service. [No new appointments shall be made while there are available teachers on leave of absence who are seventy years of age or less and who are adequately qualified to fill the vacancy unless the teachers fail to advise the superintendent of schools within thirty days from the date of notification by the superintendent of schools that positions are available to them that they will return to employment and will assume the duties of the position to which appointed not later than the beginning of the school year next following the date of the notice by the superintendent of schools] **No appointment of new teachers shall be made while there are available teachers on unrequested leave of absence who are properly qualified to fill such vacancies. Such leave of absence shall not impair the tenure of a teacher. The leave of absence shall continue for a period of not more than three years unless extended by the board.**

6. If any regulation which deals with the promotion of teachers is amended by increasing the qualifications necessary to be met before a teacher is eligible for promotion, the amendment shall fix an effective date which shall allow a reasonable length of time within which teachers may become qualified for promotion under the regulations.

7. A teacher whose appointment has become permanent may give up the right to a permanent appointment to participate in the teacher choice compensation package under sections 168.745 to 168.750.” ; and

Further amend said bill, Page 4, Section 178.550, Line 95, by inserting after all of said line the following:

“[168.291. Whenever it is necessary to decrease the number of employees because of insufficient funds or decrease in pupil enrollment or lack of work the board of education may cause the necessary number of employees, beginning with those serving probationary periods, to be placed on leave of absence without pay, but only in the inverse order of their appointment. Each employee placed on leave of absence shall be reinstated in inverse order of his placement on leave of absence. Such reemployment shall not result in a loss of status or credit for previous periods of service. No new appointments shall be made while there are available employees on leave of absence who have not attained the age of seventy years and who are adequately qualified to fill the vacancy in the particular department unless the employees fail to advise the board within thirty days from date of notification by the board that positions are available to them, that they will return to employment, and will assume the duties of the position to which they are appointed not later than the beginning of the month following the date of the notice by the board.]” ; and

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

#### HOUSE AMENDMENT NO. 6

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 17, Page 1, Section A, Line 2, by inserting after all of said Section and Line the following:

**“135.1220. 1. This section shall be known and may be cited as “Bryce’s Law”.**

**2. As used in this section, the following terms mean:**

**(1) “Autism spectrum disorder”, pervasive developmental disorder; Asperger syndrome; childhood disintegrative disorder; Rett syndrome; and autism;**

**(2) “Contribution”, a donation of cash, stock, bonds, or other marketable securities, or real property;**

**(3) “Department”, the department of elementary and secondary education;**

**(4) “Director”, the commissioner of the department of elementary and secondary education;**

**(5) “Educational scholarships”, grants to students to cover all or part of the tuition and fees at a qualified nonpublic school, a qualified public school, or a qualified service provider, including transportation;**

**(6) “Eligible child”, any child from birth to age five living in Missouri who has an individualized family services program under the First Steps program, sections 160.900 to 160.933, and whose parent or guardian has completed the complaint procedure under the Individuals with Disabilities Education Act, Part C, and has received an unsatisfactory response; or any child from birth to age five who has been evaluated for special needs as defined in this section by a person qualified to perform evaluations under the First Steps program and has been determined to have special needs but who falls below the threshold for eligibility by no less than twenty-five percent;**

(7) “Eligible student”, any elementary or secondary student who attended public school in Missouri the preceding semester, or who will be attending school in Missouri for the first time, who has an individualized education program based on a special needs condition or who has a medical diagnosis by a qualified health professional of a special needs condition;

(8) “Parent”, includes a guardian, custodian, or other person with authority to act on behalf of the child;

(9) “Program”, the program established in this section;

(10) “Qualified health professional”, a person licensed under chapter 334 or 337 who possesses credentials as described in rules promulgated jointly by the department of elementary and secondary education and the department of mental health to make a diagnosis of a student’s special needs for this program;

(11) “Qualified school”, either an accredited public elementary or secondary school in a district that is accredited without provision outside of the district in which a student resides or an accredited nonpublic elementary or secondary school in Missouri that complies with all of the requirements of the program and complies with all state laws that apply to nonpublic schools regarding criminal background checks for employees and excludes from employment any person not permitted by state law to work in a nonpublic school;

(12) “Qualified service provider”, a person or agency authorized by the department to provide services under the First Steps program, sections 160.900 to 160.933;

(13) “Scholarship granting organization”, a charitable organization that:

(a) Is exempt from federal income tax;

(b) Complies with the requirements of this program;

(c) Provides education scholarships to students attending qualified schools of their parents’ choice or to children receiving services from qualified service providers; and

(d) Does not accept contributions on behalf of any eligible student or eligible child from any donor with any obligation to provide any support for the eligible student or eligible child;

(14) “Special needs”, an autism spectrum disorder, Down syndrome, Angelman syndrome, or cerebral palsy.

3. The department of elementary and secondary education shall develop a master list of resources available to the parents of children with an autism spectrum disorder and shall maintain a web page for the information. The department shall also actively seek financial resources in the form of grants and donations that may be devoted to scholarship funds or to clinical trials for behavioral interventions that may be undertaken by qualified service providers. The department may contract out or delegate these duties to a nonprofit organization. Priority in referral for funding shall be given to children who have not yet entered elementary school.

4. The director shall determine, at least annually, which organizations in this state may be classified as scholarship granting organizations. The director may require of an organization seeking to be classified as a scholarship granting organization whatever information which is reasonably necessary to make such a determination. The director shall classify an organization as a scholarship

**granting organization if such organization meets the definition set forth in this section.**

**5. The director shall establish a procedure by which a donor can determine if an organization has been classified as a scholarship granting organization. Scholarship granting organizations shall be permitted to decline a contribution from a donor.**

**6. Each scholarship granting organization shall provide information to the director concerning the identity of each donor making a contribution to the scholarship granting organization.**

**7. (1) The director shall annually make a determination on the number of students in Missouri with an individualized education program based upon special needs as defined in this section. The director shall use ten percent of this number to determine the maximum number of students to receive scholarships from a scholarship granting organization in that year for students with special needs who have at the time of application an individualized education program, plus a number calculated by the commissioner by applying the state's latest available autism, cerebral palsy, Down syndrome, and Angelman syndrome incidence rates to the state's population of children from age five to nineteen who are not enrolled in public schools and taking ten percent of that number. The total of these two calculations shall constitute the maximum number of scholarships available to students.**

**(2) The director shall also annually make a determination on the number of children in Missouri whose parent or guardian has enrolled the child in First Steps, received an individualized family services program based on special needs, and filed a complaint through the Individuals with Disabilities Education Act, Part C, and received a negative response. In addition to this number, the director shall apply the latest available autism, cerebral palsy, Down syndrome, and Angelman syndrome incidence rates to the latest available census information for children from birth to age five and determine ten percent of that number for the maximum number of scholarships for children.**

**(3) The director shall publicly announce the number of each category of scholarship opportunities available each year. Once a scholarship granting organization has decided to provide a student or child with a scholarship, it shall promptly notify the director. The director shall keep a running tally of the number of scholarships granted in the order in which they were reported. Once the tally reaches the annual limit of scholarships for eligible students or children, the director shall notify all of the participating scholarship granting organizations that they shall not issue any more scholarships and any more receipts for contributions. If the scholarship granting organizations have not expended all of their available scholarship funds in that year at the time when the limit is reached, the available scholarship funds may be carried over into the next year. These unexpended funds shall not be counted as part of the requirement in subdivision (3) of subsection 10 of this section for that year. Any receipt for a scholarship contribution issued by a scholarship granting organization before the director has publicly announced the student or child limit has been reached shall be valid.**

**8. Each scholarship granting organization participating in the program shall:**

**(1) Notify the department of its intent to provide educational scholarships to students attending qualified schools or children receiving services from qualified service providers;**

**(2) Provide a department-approved receipt to donors for contributions made to the organization;**

**(3) Ensure that at least ninety percent of its revenue from donations is spent on educational scholarships, and that all revenue from interest or investments is spent on educational scholarships;**

**(4) Ensure that the scholarships provided do not exceed an average of twenty thousand dollars per eligible child or fifty thousand dollars per eligible student;**

**(5) Inform the parent or guardian of the student or child applying for a scholarship that accepting the scholarship is tantamount to a ‘parentally placed private school student’ pursuant to 34 CFR 300.130 and, thus, neither the department nor any Missouri public school is responsible to provide the student with a free appropriate public education pursuant to the IDEA or Section 504 of the Rehabilitation Act of 1973;**

**(6) Distribute periodic scholarship payments as checks made out to a student’s or child’s parent and mailed to the qualified school where the student is enrolled or qualified service provider used by the child. The parent or guardian shall endorse the check before it can be deposited;**

**(7) Cooperate with the department to conduct criminal background checks on all of its employees and board members and exclude from employment or governance any individual who might reasonably pose a risk to the appropriate use of contributed funds;**

**(8) Ensure that scholarships are portable during the school year and can be used at any qualified school that accepts the eligible student or at a different qualified service provider for an eligible child according to a parent’s wishes. If a student moves to a new qualified school during a school year or to a different qualified service provider for an eligible child, the scholarship amount may be prorated;**

**(9) Demonstrate its financial accountability by:**

**(a) Submitting a financial information report for the organization that complies with uniform financial accounting standards established by the department and conducted by a certified public accountant; and**

**(b) Having the auditor certify that the report is free of material misstatements;**

**(10) Demonstrate its financial viability, if the organization is to receive donations of fifty thousand dollars or more during the school year, by filing with the department before the start of the school year:**

**(a) A surety bond payable to the state in an amount equal to the aggregate amount of contributions expected to be received during the school year; or**

**(b) Financial information that demonstrates the financial viability of the scholarship granting organization.**

**9. Each scholarship granting organization shall ensure that each participating school or service provider that accepts its scholarship students or children shall:**

**(1) Comply with all health and safety laws or codes that apply to nonpublic schools or service providers;**

**(2) Hold a valid occupancy permit if required by its municipality;**

**(3) Certify that it will comply with 42 U.S.C. Section 1981, as amended;**

**(4) Provide academic accountability to parents of the students or children in the program by regularly reporting to the parent on the student’s or child’s progress;**

**(5) Certify that in providing any educational services or behavior strategies to a scholarship**

**recipient with a diagnosis of or an individualized education program based upon autism spectrum disorder it will:**

**(a) Adhere to the best practices recommendations of the Missouri Autism Guidelines Initiative or document why it is varying from the guidelines;**

**(b) Not use any evidence-based interventions that have been found ineffective by the commission on Medicare as described in the Missouri Autism Guidelines Initiative Guide to Evidence-based Interventions; and**

**(c) Provide documentation in the student's or child's record of the rationale for the use of any intervention that is categorized as unestablished, insufficient evidence, or level 3 by the Missouri Autism Guidelines Initiative Guide to Evidence-based Interventions; and**

**(6) Certify that in providing any educational services or behavior strategies to a scholarship recipient with a diagnosis of, or an individualized family services program based upon Down syndrome, Angelman syndrome, or cerebral palsy, it will use student, teacher, teaching, and school influences that rank in the zone of desired effects in the meta-analysis of John Hattie, or equivalent analyses as determined by the department, or document why it is using a method that has not been determined by analysis to rank in the zone of desired effects.**

**10. Scholarship granting organizations shall not provide educational scholarships for students to attend any school or children to receive services from any qualified service provider with paid staff or board members who are relatives within the first degree of consanguinity or affinity.**

**11. A scholarship granting organization shall publicly report to the department, by June first of each year, the following information prepared by a certified public accountant regarding its grants in the previous calendar year:**

**(1) The name and address of the scholarship granting organization;**

**(2) The total number and total dollar amount of contributions received during the previous calendar year; and**

**(3) The total number and total dollar amount of educational scholarships awarded during the previous calendar year, including the category of each scholarship, and the total number and total dollar amount of educational scholarships awarded during the previous year to students eligible for free and reduced lunch.**

**12. The department shall adopt rules and regulations consistent with this section as necessary to implement the program.**

**13. The department shall provide a standardized format for a receipt to be issued by a scholarship granting organization to a donor to indicate the value of a contribution received.**

**14. The department shall provide a standardized format for scholarship granting organizations to report the information in this section.**

**15. The department may conduct either a financial review or audit of a scholarship granting organization.**

**16. If the department believes that a scholarship granting organization has intentionally and substantially failed to comply with the requirements of this section, the department may hold a**

hearing before the director or the director's designee to bar a scholarship granting organization from participating in the program. The director or the director's designee shall issue a decision within thirty days. A scholarship granting organization may appeal the director's decision to the administrative hearing commission for a hearing in accordance with the provisions of chapter 621.

17. If the scholarship granting organization is barred from participating in the program, the department shall notify affected scholarship students or children and their parents of this decision within fifteen days.

18. 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, 2013, shall be invalid and void.

19. The department shall conduct a study of the program with funds other than state funds. The department may contract with one or more qualified researchers who have previous experience evaluating similar programs. The department may accept grants to assist in funding this study.

21. The study shall assess:

(1) The level of participating students' and childrens' satisfaction with the program in a manner suitable to the student or child;

(2) The level of parental satisfaction with the program;

(3) The percentage of participating students who were bullied or harassed because of their special needs status at their resident school district compared to the percentage so bullied or harassed at their qualified school;

(4) The percentage of participating students who exhibited behavioral problems at their resident school district compared to the percentage exhibiting behavioral problems at their qualified school;

(5) The class size experienced by participating students at their resident school district and at their qualified school; and

(6) The fiscal impact to the state and resident school districts of the program.

20. The study shall be completed using appropriate analytical and behavioral sciences methodologies to ensure public confidence in the study.

21. The department shall provide the general assembly with a final copy of the evaluation of the program by December 31, 2016.

22. The public and nonpublic participating schools and service providers from which students transfer to participate in the program shall cooperate with the research effort by providing student or child assessment instrument scores and any other data necessary to complete this study.

23. The general assembly may require periodic updates on the status of the study from the department. The individuals completing the study shall make their data and methodology available for public review while complying with the requirements of the Family Educational Rights and

**Privacy Act, as amended.**

**24. Under section 23.253 of the Missouri sunset act:**

**(1) The provisions of the new program authorized under this section shall sunset automatically on December 31, 2019, unless reauthorized by an act of the general assembly; and**

**(2) If such program is reauthorized, the program authorized under this section shall sunset automatically on December 31, 2031; and**

**(3) This section shall terminate on December thirty-first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.”; and**

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

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 36**.

With House Amendment No. 1.

**HOUSE AMENDMENT NO. 1**

Amend Senate Committee Substitute for Senate Bill No. 36, Page 5, Section 211.073, Line 53, by inserting immediately after said line the following:

**“217.870. In an effort to reduce the recidivism rate of offenders who are incarcerated in the state of Missouri the department of corrections shall, prior to the release of any inmate, do the following:**

**(1) Subject to appropriation, participate in the Federal Bonding Program so that all inmates are bonded prior to release;**

**(2) Review the types of jobs available for inmates while incarcerated to determine which jobs would be eligible for certification and ensure that any inmate who has completed the necessary requirements for certification in a particular field does receive certification;**

**(3) Issue a worker certificate to any inmate who has worked in one or more jobs while incarcerated which were the type of jobs that are not eligible for certification. This worker certificate shall indicate the number of hours the inmate has worked or training the inmate has received in each job which the inmate held. It shall also specify the duties required for each job and list the skills acquired or demonstrated on the job.”; and**

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

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SS** for **SCS** for **SB 116**, entitled:

An Act to repeal sections 115.156, 115.159, 115.275, 115.277, 115.278, 115.281, 115.283, 115.287, 115.291, and 115.292, RSMo, and to enact in lieu thereof twenty-six new sections relating to voting procedures for uniformed services and overseas voters, with penalty provisions.

With House Amendment Nos. 2 and 3.

## HOUSE AMENDMENT NO. 2

Amend House Committee Substitute for Senate Substitute for Senate Committee Substitute for Senate Bill No. 116, Page 3, Section 115.275, Line 23, by inserting after the phrase: “(6)” on said Line the following: “[ (5)”; and

Further amend said Section, Page 3, Line 34 by deleting the bracket: “]” on said Line; and

Further amend said bill, Section 115.904, Page 12, Line 5, by deleting the word: “**and**” on said Line and inserting in lieu thereof the word: “**or**”; and

Further amend said bill, Section 115.910, Page 14, Line 22, by deleting the word: “**and**” on said Line and inserting in lieu thereof the word: “**or**”; and

Further amend said bill, Section 115.936, Page 17, Line 5 by inserting after all of said Section and Line the following:

**“Section 1. Notwithstanding any other provision of law, a person in the federal service as defined under section 115.275 may vote in the same manner, using the same technology and requirements, as an overseas voter under sections 115.900 to 115.936.**

Section B. The repeal and reenactment of Section A of this act shall be effective on July 1, 2014.”; and

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

## HOUSE AMENDMENT NO. 3

Amend House Committee Substitute for Senate Substitute for Senate Committee Substitute for Senate Bill No. 116, Page 15, Section 115.920, Lines 2 - 4, by deleting all of said Lines and inserting in lieu thereof the following:

**“shall be counted if it is received before noon on the friday after election day so that certification under section 1 may commence.”; and**

Further amend said bill, Section 115.936, Page 17, Line 5 by inserting after all of said Section and Line the following:

**“Section 1. Notwithstanding any other provision of law to the contrary, no election authority or verification board shall certify election results, as required under section 115.507, before noon on the friday after election day.”; and**

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

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 126**.

Bill ordered enrolled.

**PRIVILEGED MOTIONS**

Senator Sater moved that the Senate refuse to concur in **HCS** for **SCS** for **SB 157** and **SB 102**, as amended, and request the House to recede from its position or, failing to do so, grant the Senate a

conference thereon, which motion prevailed.

### HOUSE BILLS ON THIRD READING

Senator Wallingford moved that **HB 400**, with **SA 1** (pending), be called from the Informal Calendar and again taken up for 3rd reading and final passage, which motion prevailed.

**SA 1** was again taken up.

At the request of Senator Wallingford, **SA 1** was withdrawn.

Senator Wallingford offered **SA 2**:

#### SENATE AMENDMENT NO. 2

Amend House Bill No. 400, Page 1, Section 188.021, Line 2, by inserting after “abortion,” the following: “**the initial dose of**”; and further amend line 6, by striking “twelve to eighteen days”; and further amend pages 1-2, lines 7 to 11, by striking said lines and inserting in lieu thereof the following: “**drug or chemical for a follow-up visit unless such termination of the pregnancy has already been confirmed and the patient’s medical condition has been assessed by a licensed physician prior to discharge.**”.

Senator Wallingford moved that the above amendment be adopted, which motion prevailed.

On motion of Senator Wallingford, **HB 400**, as amended, was read the 3rd time and passed by the following vote:

#### YEAS—Senators

Brown	Cunningham	Dempsey	Dixon	Emery	Kehoe	Kraus	Lager
Lamping	Libla	McKenna	Munzlinger	Parson	Pearce	Richard	Romine
Sater	Schaaf	Schaefer	Schmitt	Silvey	Wallingford	Wasson—23	

#### NAYS—Senators

Chappelle-Nadal	Curls	Justus	Keaveny	LeVota	Nasheed	Sifton—7
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#### Absent—Senators

Nieves	Rupp	Walsh—3
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Absent with leave—Senator Holsman—1

Vacancies—None

The President declared the bill passed.

On motion of Senator Wallingford, title to the bill was agreed to.

Senator Wallingford moved that the vote by which the bill passed be reconsidered.

Senator Kehoe moved that motion lay on the table, which motion prevailed.

At the request of Senator Brown, **HB 274**, with **SCS**, was placed on the Informal Calendar.

At the request of Senator Kehoe, **HCS** for **HBs 404** and **614**, with **SCS**, was placed on the Informal Calendar.

**HCS** for **HB 1035**, with **SCS**, entitled:

An Act to repeal sections 137.073 and 137.720, RSMo, and to enact in lieu thereof two new sections relating to amended property tax rate filings with the office of the state auditor.

Was taken up by Senator Schmitt.

**SCS** for **HCS** for **HB 1035**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE COMMITTEE SUBSTITUTE FOR  
HOUSE BILL NO. 1035

An Act to repeal sections 67.463, 67.469, 137.073, and 137.720, RSMo, and to enact in lieu thereof four new sections relating to property taxes.

Was taken up.

Senator Schmitt moved that **SCS** for **HCS** for **HB 1035** be adopted.

Senator Kraus offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 1, In the Title, Line 3, by striking the words “property taxes” and inserting in lieu thereof the following: “funds collected by political subdivisions”; and

Further amend said bill, page 15, section 137.720, line 57, by inserting after all of said line the following:

“238.272. The state auditor [shall] **may** audit each district not [less] **more** than once every three years[, and may audit more frequently if the state auditor deems appropriate]. The costs of this audit shall be paid by the district **and shall not exceed three percent of the gross revenues received by the transportation district.**”; and

Further amend the title and enacting clause accordingly.

Senator Kraus moved that the above amendment be adopted, which motion prevailed.

Senator Nieves offered **SA 2**:

SENATE AMENDMENT NO. 2

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 14, Section 137.073, Line 384, by inserting immediately after said line the following:

“137.090. **1.** All tangible personal property of whatever nature and character situate in a county other than the one in which the owner resides shall be assessed in the county where the owner resides; except that, houseboats, cabin cruisers, floating boat docks, and manufactured homes, as defined in section 700.010, used for lodging shall be assessed in the county where they are located, and tangible personal property belonging to estates shall be assessed in the county in which the probate division of the circuit court has jurisdiction. Tangible personal property, other than motor vehicles as the term is defined in section 301.010, used exclusively in connection with farm operations of the owner and kept on the farmland, shall not be assessed by a city, town or village unless the farmland is totally within the boundaries of the city, town or village. No tangible personal property shall be simultaneously assessed in more than one county.

**2. The assessed valuation of any tractor or trailer as defined in section 301.010 owned by an individual, partner, or member and used in interstate commerce must be apportioned to Missouri based on the ratio of miles traveled in this state to miles traveled in the United States in interstate commerce during the preceding tax year or on the basis of the most recent annual mileage figures available.**

137.095. 1. The real and tangible personal property of all corporations operating in any county in the state of Missouri and in the city of St. Louis, and subject to assessment by county or township assessors, shall be assessed and taxed in the county in which the property is situated on the first day of January of the year for which the taxes are assessed, and every general or business corporation having or owning tangible personal property on the first day of January in each year, which is situated in any other county than the one in which the corporation is located, shall make return to the assessor of the county or township where the property is situated, in the same manner as other tangible personal property is required by law to be returned, except that all motor vehicles which are the property of the corporation and which are subject to regulation under chapter 390 shall be assessed for tax purposes in the county in which the motor vehicles are based.

2. For the purposes of subsection 1 of this section, the term “based” means the place where the vehicle is most frequently dispatched, garaged, serviced, maintained, operated or otherwise controlled, except that leased passenger vehicles shall be assessed at the residence of the driver or, if the residence of the driver is unknown, at the location of the lessee.

**3. The assessed valuation of any tractor or trailer as defined in section 301.010 owned by a corporation and used in interstate commerce must be apportioned to Missouri based on the ratio of miles traveled in this state to miles traveled in the United States in interstate commerce during the preceding tax year or on the basis of the most recent annual mileage figures available.”; and**

Further amend the title and enacting clause accordingly.

Senator Nieves moved that the above amendment be adopted, which motion prevailed.

Senator Nieves offered **SA 3**:

**SENATE AMENDMENT NO. 3**

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 14, Section 137.073, Line 384, by inserting after all of said line the following:

“137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor’s deputies in all counties of this state including the city of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor’s city, county, town or district. Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor shall annually assess all personal property at thirty-three and one-third percent of its true value in money as of January first of each calendar year. The assessor shall annually assess all real property, including any new construction and improvements to real property, and possessory interests in real property at the percent of its true value in money set in subsection 5 of this section. The true value in money of any possessory interest in real property in subclass (3), where such real property is on or lies within the ultimate airport boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and owned by a political subdivision, shall be the otherwise applicable true value in money of any such possessory interest in real property, less the total dollar amount of costs paid by a party, other than the political

subdivision, towards any new construction or improvements on such real property completed after January 1, 2008, and which are included in the above-mentioned possessory interest, regardless of the year in which such costs were incurred or whether such costs were considered in any prior year. The assessor shall annually assess all real property in the following manner: new assessed values shall be determined as of January first of each odd-numbered year and shall be entered in the assessor's books; those same assessed values shall apply in the following even-numbered year, except for new construction and property improvements which shall be valued as though they had been completed as of January first of the preceding odd-numbered year. The assessor may call at the office, place of doing business, or residence of each person required by this chapter to list property, and require the person to make a correct statement of all taxable tangible personal property owned by the person or under his or her care, charge or management, taxable in the county. On or before January first of each even-numbered year, the assessor shall prepare and submit a two-year assessment maintenance plan to the county governing body and the state tax commission for their respective approval or modification. The county governing body shall approve and forward such plan or its alternative to the plan to the state tax commission by February first. If the county governing body fails to forward the plan or its alternative to the plan to the state tax commission by February first, the assessor's plan shall be considered approved by the county governing body. If the state tax commission fails to approve a plan and if the state tax commission and the assessor and the governing body of the county involved are unable to resolve the differences, in order to receive state cost-share funds outlined in section 137.750, the county or the assessor shall petition the administrative hearing commission, by May first, to decide all matters in dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by the parties. The final decision of the administrative hearing commission shall be subject to judicial review in the circuit court of the county involved. In the event a valuation of subclass (1) real property within any county with a charter form of government, or within a city not within a county, is made by a computer, computer-assisted method or a computer program, the burden of proof, supported by clear, convincing and cogent evidence to sustain such valuation, shall be on the assessor at any hearing or appeal. In any such county, unless the assessor proves otherwise, there shall be a presumption that the assessment was made by a computer, computer-assisted method or a computer program. Such evidence shall include, but shall not be limited to, the following:

(1) The findings of the assessor based on an appraisal of the property by generally accepted appraisal techniques; and

(2) The purchase prices from sales of at least three comparable properties and the address or location thereof. As used in this subdivision, the word "comparable" means that:

(a) Such sale was closed at a date relevant to the property valuation; and

(b) Such properties are not more than one mile from the site of the disputed property, except where no similar properties exist within one mile of the disputed property, the nearest comparable property shall be used. Such property shall be within five hundred square feet in size of the disputed property, and resemble the disputed property in age, floor plan, number of rooms, and other relevant characteristics.

2. Assessors in each county of this state and the city of St. Louis may send personal property assessment forms through the mail.

3. The following items of personal property shall each constitute separate subclasses of tangible personal property and shall be assessed and valued for the purposes of taxation at the following percentages of their

true value in money:

- (1) Grain and other agricultural crops in an unmanufactured condition, one-half of one percent;
- (2) Livestock, twelve percent;
- (3) Farm machinery, twelve percent;

(4) Motor vehicles which are eligible for registration as and are registered as historic motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years old and which are used solely for noncommercial purposes and are operated less than fifty hours per year or aircraft that are home built from a kit, five percent;

- (5) Poultry, twelve percent; and

(6) Tools and equipment used for pollution control and tools and equipment used in retooling for the purpose of introducing new product lines or used for making improvements to existing products by any company which is located in a state enterprise zone and which is identified by any standard industrial classification number cited in subdivision (6) of section 135.200, twenty-five percent.

4. The person listing the property shall enter a true and correct statement of the property, in a printed blank prepared for that purpose. The statement, after being filled out, shall be signed and either affirmed or sworn to as provided in section 137.155. The list shall then be delivered to the assessor.

5. All subclasses of real property, as such subclasses are established in section 4(b) of article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the following percentages of true value:

- (1) For real property in subclass (1), nineteen percent;
- (2) For real property in subclass (2), twelve percent; and
- (3) For real property in subclass (3), thirty-two percent.

6. Manufactured homes, as defined in section 700.010, which are actually used as dwelling units shall be assessed at the same percentage of true value as residential real property for the purpose of taxation. The percentage of assessment of true value for such manufactured homes shall be the same as for residential real property. If the county collector cannot identify or find the manufactured home when attempting to attach the manufactured home for payment of taxes owed by the manufactured home owner, the county collector may request the county commission to have the manufactured home removed from the tax books, and such request shall be granted within thirty days after the request is made; however, the removal from the tax books does not remove the tax lien on the manufactured home if it is later identified or found. For purposes of this section, a manufactured home located in a manufactured home rental park, rental community or on real estate not owned by the manufactured home owner shall be considered personal property. For purposes of this section, a manufactured home located on real estate owned by the manufactured home owner may be considered real property.

7. Each manufactured home assessed shall be considered a parcel for the purpose of reimbursement pursuant to section 137.750, unless the manufactured home is real estate as defined in subsection 7 of section 442.015 and assessed as a realty improvement to the existing real estate parcel.

8. Any amount of tax due and owing based on the assessment of a manufactured home shall be included on the personal property tax statement of the manufactured home owner unless the manufactured home is

real estate as defined in subsection 7 of section 442.015, in which case the amount of tax due and owing on the assessment of the manufactured home as a realty improvement to the existing real estate parcel shall be included on the real property tax statement of the real estate owner.

9. The assessor of each county and each city not within a county shall use the **lowest** trade-in value published in the October issue of [the National Automobile Dealers' Association Official Used Car Guide, or its successor publication, as the recommended] **a single nationally recognized** guide of information for determining the true value of motor vehicles described in such publication. **Such publication shall be approved by the state tax commission in conjunction with the association representing the majority of assessors of this state. The state tax commission shall also approve four additional guides for determining the true value of motor vehicles. If the owner of the motor vehicle presents evidence that any of the four other approved publications has a lower published trade-in value that is applicable to the motor vehicle, the assessor shall use such value in determining the true value of the motor vehicle.** In the absence of a listing for a particular motor vehicle in such [publication] **publications**, the assessor shall use such information or publications which in the assessor's judgment will fairly estimate the true value in money of the motor vehicle.

10. Before the assessor may increase the assessed valuation of any parcel of subclass (1) real property by more than fifteen percent since the last assessment, excluding increases due to new construction or improvements, the assessor shall conduct a physical inspection of such property.

11. If a physical inspection is required, pursuant to subsection 10 of this section, the assessor shall notify the property owner of that fact in writing and shall provide the owner clear written notice of the owner's rights relating to the physical inspection. If a physical inspection is required, the property owner may request that an interior inspection be performed during the physical inspection. The owner shall have no less than thirty days to notify the assessor of a request for an interior physical inspection.

12. A physical inspection, as required by subsection 10 of this section, shall include, but not be limited to, an on-site personal observation and review of all exterior portions of the land and any buildings and improvements to which the inspector has or may reasonably and lawfully gain external access, and shall include an observation and review of the interior of any buildings or improvements on the property upon the timely request of the owner pursuant to subsection 11 of this section. Mere observation of the property via a drive-by inspection or the like shall not be considered sufficient to constitute a physical inspection as required by this section.

13. The provisions of subsections 11 and 12 of this section shall only apply in any county with a charter form of government with more than one million inhabitants.

14. A county or city collector may accept credit cards as proper form of payment of outstanding property tax or license due. No county or city collector may charge surcharge for payment by credit card which exceeds the fee or surcharge charged by the credit card bank, processor, or issuer for its service. A county or city collector may accept payment by electronic transfers of funds in payment of any tax or license and charge the person making such payment a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic payment.

15. Any county or city not within a county in this state may, by an affirmative vote of the governing body of such county, opt out of the provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and section 137.073 as modified by house committee substitute for senate substitute for senate committee substitute for

senate bill no. 960, ninety-second general assembly, second regular session, for the next year of the general reassessment, prior to January first of any year. No county or city not within a county shall exercise this opt-out provision after implementing the provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and section 137.073 as modified by house committee substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-second general assembly, second regular session, in a year of general reassessment. For the purposes of applying the provisions of this subsection, a political subdivision contained within two or more counties where at least one of such counties has opted out and at least one of such counties has not opted out shall calculate a single tax rate as in effect prior to the enactment of house bill no. 1150 of the ninety-first general assembly, second regular session. A governing body of a city not within a county or a county that has opted out under the provisions of this subsection may choose to implement the provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session, and section 137.073 as modified by house committee substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-second general assembly, second regular session, for the next year of general reassessment, by an affirmative vote of the governing body prior to December thirty-first of any year.

16. The governing body of any city of the third classification with more than twenty-six thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located in any county that has exercised its authority to opt out under subsection 15 of this section may levy separate and differing tax rates for real and personal property only if such city bills and collects its own property taxes or satisfies the entire cost of the billing and collection of such separate and differing tax rates. Such separate and differing rates shall not exceed such city's tax rate ceiling.”; and

Further amend the title and enacting clause accordingly.

Senator Nieves moved that the above amendment be adopted, which motion prevailed.

President Kinder assumed the Chair.

Senator Rupp offered **SA 4**:

#### SENATE AMENDMENT NO. 4

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 15, Section 137.720, Line 57, by inserting after all of said line the following:

“138.431. 1. To hear and decide appeals pursuant to section 138.430, the commission shall appoint one or more hearing officers. The hearing officers shall be subject to supervision by the commission. No person shall participate on behalf of the commission in any case in which such person is an interested party.

2. The commission may assign such appeals as it deems fit to a hearing officer for disposition.

(1) The assignment shall be deemed made when [the] **any** scheduling order is first issued by the commission [and signed by the hearing officer assigned, unless another hearing officer is assigned to the case for disposition by other language in said order], **however, if no scheduling order has been issued, then a hearing officer shall be assigned no later than sixty days after the appeal is filed by the taxpayer.**

(2) A change of hearing officer, or a reservation of the appeal for disposition as described in subsection 3 of this section, shall be ordered by the commission in any appeal upon the timely filing of a written

application by a party to disqualify the hearing officer assigned. The application shall be filed within thirty days from the assignment of any appeal to a hearing officer and need not allege or prove any cause for such change and need not be verified. No more than one change of hearing officer shall be allowed for each party in any appeal.

3. The commission may, in its discretion, reserve such appeals as it deems fit to be heard and decided by the full commission, a quorum thereof, or any commissioner, subject to the provisions of section 138.240, and, in such case, the decision shall be final, subject to judicial review in the manner provided in subsection 4 of section 138.470.

4. The manner in which appeals shall be presented and the conduct of hearings shall be made in accordance with rules prescribed by the commission for determining the rights of the parties; provided that, the commission, with the consent of all the parties, may refer an appeal to mediation. The commission shall promulgate regulations for mediation pursuant to this section. No regulation or portion of a regulation promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536. There shall be no presumption that the assessor's valuation is correct. A full and complete record shall be kept of all proceedings. All testimony at any hearing shall be recorded but need not be transcribed unless the matter is further appealed.

5. Unless an appeal is voluntarily dismissed, a hearing officer, after affording the parties reasonable opportunity for fair hearing, shall issue a decision and order affirming, modifying, or reversing the determination of the board of equalization, and correcting any assessment which is unlawful, unfair, improper, arbitrary, or capricious. The commission may, prior to the decision being rendered, transfer to another hearing officer the proceedings on an appeal determination before a hearing officer. The complainant, respondent-assessor, or other party shall be duly notified of a hearing officer's decision and order, together with findings of fact and conclusions of law. Appeals from decisions of hearing officers shall be made pursuant to section 138.432.

6. All decisions issued pursuant to this section or section 138.432 by the commission or any of its duly assigned hearing officers shall be issued no later than sixty days after the hearing on the matter to be decided is held or the date on which the last party involved in such matter files his or her brief, whichever event later occurs.”; and

Further amend the title and enacting clause accordingly.

Senator Rupp moved that the above amendment be adopted, which motion prevailed.

Senator Silvey offered **SA 5**:

#### SENATE AMENDMENT NO. 5

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 1, In the Title, Line 3, by striking the words “property taxes” and inserting in lieu thereof the following: “funds collected by or assets of political subdivisions”; and

Further amend said bill and page, section A, line 3 by inserting immediately after said line the following:

**“96.229. 1. Notwithstanding subsection 5 of section 96.150 regarding the lease of substantially all of a hospital where the board of trustees is lessor, a city in which a hospital is located that:**

**(1) Is organized and operated under this chapter;**

**(2) Has not accepted appropriated funds from the city during the prior twenty years; and**

**(3) Is licensed by the department of health and senior services for two hundred beds or more pursuant to sections 197.010 to 197.120,**

**shall not have authority to sell, lease, or otherwise transfer all or substantially all of the property from a hospital organized under this chapter, both real and personal, except in accordance with this section.**

**2. Upon filing with the city clerk of a resolution adopted by no less than two-thirds of the incumbent members of the board of trustees to sell, lease, or otherwise transfer all or substantially all of the hospital property, both real and personal, for reasons specified in the resolution, the clerk shall present the resolution to the city council. If a majority of the incumbent members of the city council determine that sale, lease, or other transfer of the hospital property is desirable, the city council shall submit to the voters of the city the question in substantially the following form:**

**“Shall the city council of....., Missouri and the board of trustees of.....hospital be authorized to sell (or lease or otherwise transfer) the property, real and personal, of.....hospital as approved by, and in accordance with, the resolution of the board of trustees authorizing such sale (or lease or transfer)?”**

**A majority of the votes cast on such question shall be required in order to approve and authorize such sale, lease or other transfer. If the question receives less than the required majority, then the city council and the board of trustees shall have no power to sell, lease or otherwise transfer the property, real and personal, of the hospital unless and until the city council has submitted another question to authorize such sale, lease or transfer authorized under this section and such question is approved by the required majority of the qualified voters voting thereon. However, in no event shall a question under this section be submitted to the voters sooner than twelve months from the date of the last question under this section and after the adoption of another resolution by no less than two-thirds of the board of trustees and a subsequent vote by a majority of the city council to again submit the question to the voters.**

**3. Upon passage of such question by the voters, the board of trustees shall sell and dispose of such property, or lease or transfer such property, in the manner proposed by the board of trustees. The deed of the board of trustees, duly authorized by the board of trustees and duly acknowledged and recorded, shall be sufficient to convey to the purchaser all the rights, title, interest, and estate in the hospital property.**

**4. No sale, lease, or other transfer of such hospital property shall be authorized or effective unless such transaction provides sufficient proceeds to be available to be applied to the payment of all interest and principal of any outstanding valid indebtedness incurred for purchase of the site or construction of the hospital, or for any repairs, alterations, improvements, or additions thereto, or for operation of the hospital.**

**5. Assets donated to the hospital pursuant to section 96.210 shall be used to provide health care services in the city and in the geographic region previously served by the hospital, except as otherwise prescribed by the terms of the deed, gift, devise, or bequest.”; and**

Further amend said bill, page 15, section 137.720, line 57, by inserting after all of said line the following:

“Section B. Because of the need to ensure local hospitals can continue the purpose of providing the best care and treatment of the sick, disabled, and infirm persons as decided on by the people in the affected community, the enactment of 96.229 of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the enactment of section 96.229 of this act shall be in full force and effect upon its passage and approval.”; and

Further amend the title and enacting clause accordingly.

Senator Silvey moved that the above amendment be adopted, which motion prevailed.

Senator Schmitt offered **SA 6**:

#### SENATE AMENDMENT NO. 6

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 3, Section 67.469, Line 11, by inserting after all of said line the following:

“99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

(1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

(2) (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the “Special Allocation Fund” of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property

in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for in section 163.031 until such time as all redevelopment costs have been paid as provided for in this section and section 99.850;

(b) Notwithstanding any provisions of this section to the contrary, for purposes of determining the limitation on indebtedness of local government pursuant to article VI, section 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area selected for redevelopment attributable to the increase above the total initial equalized assessed valuation shall be included in the value of taxable tangible property as shown on the last completed assessment for state or county purposes;

(c) The county assessor shall include the current assessed value of all property within the taxing district in the aggregate valuation of assessed property entered upon the assessor's book and verified pursuant to section 137.245, and such value shall be utilized for the purpose of the debt limitation on local government pursuant to article VI, section 26(b) of the Missouri Constitution;

(3) For purposes of this section, "levies upon taxable real property in such redevelopment project by taxing districts" shall not include the blind pension fund tax levied under the authority of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers' inventory replacement tax levied under the authority of subsection 2 of section 6 of article X of the Missouri Constitution, except in redevelopment project areas in which tax increment financing has been adopted by ordinance pursuant to a plan approved by vote of the governing body of the municipality taken after August 13, 1982, and before January 1, 1998.

2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing districts, which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. Any provision of an agreement, contract or covenant entered into prior to July 12, 1990, between a municipality and any other political subdivision which provides for an appropriation of other municipal revenues to the special allocation fund shall be and remain enforceable.

3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the municipality or other taxing districts, and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project

by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation pursuant to section 94.660, **taxes imposed on sales pursuant to subsection 2 of section 67.1712 for the purpose of operating and maintaining a metropolitan park and recreation district**, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, [or] any sales tax imposed by a county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose of sports stadium improvement or levied by such county under section 238.410 for the purpose of the county transit authority operating transportation facilities, **or for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 28, 2013, taxes imposed on sales pursuant to section 650.399 for the purpose of emergency communication systems**, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund.

4. Beginning January 1, 1998, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in subsection 8 of this section, estimated for the businesses within the project area and identified by the municipality in the application required by subsection 10 of this section, over and above the amount of such taxes reported by businesses within the project area as identified by the municipality in their application prior to the approval of the redevelopment project by ordinance, while tax increment financing remains in effect, may be available for appropriation by the general assembly as provided in subsection 10 of this section to the department of economic development supplemental tax increment financing fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with approved plans or projects.

5. The treasurer or other designated financial officer of the municipality with approved plans or projects shall deposit such funds in a separate segregated account within the special allocation fund established pursuant to section 99.805.

6. No transfer from the general revenue fund to the Missouri supplemental tax increment financing fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for that project. For all redevelopment plans or projects adopted or approved after December 23, 1997, appropriations from the new state revenues shall not be distributed from the Missouri supplemental tax increment financing fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

7. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 4 of this section, the municipality shall comply with the requirements of subsection 10 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's

adoption or the redevelopment plan's or project's approval by ordinance.

8. For purposes of this section, "new state revenues" means:

(1) The incremental increase in the general revenue portion of state sales tax revenues received pursuant to section 144.020, 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. In no event shall the incremental increase include any amounts attributable to retail sales unless the municipality or authority has proven to the Missouri development finance board and the department of economic development and such entities have made a finding that the sales tax increment attributable to retail sales is from new sources which did not exist in the state during the baseline year. The incremental increase in the general revenue portion of state sales tax revenues for an existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or

(2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221 at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the redevelopment area for new employees who fill new jobs directly created by the tax increment financing project.

9. Subsection 4 of this section shall apply only to blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment zones, or to blighted areas located in central business districts or urban core areas of cities which districts or urban core areas at the time of approval of the project by ordinance, provided that the enterprise zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty years old; and

(1) Suffered from generally declining population or property taxes over the twenty-year period immediately preceding the area's designation as a project area by ordinance; or

(2) Was a historic hotel located in a county of the first classification without a charter form of government with a population according to the most recent federal decennial census in excess of one hundred fifty thousand and containing a portion of a city with a population according to the most recent federal decennial census in excess of three hundred fifty thousand.

10. The initial appropriation of up to fifty percent of the new state revenues authorized pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:

(1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the new state revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:

(a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;

(b) The base year of state sales tax revenues or the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the

redevelopment project;

(c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue or the estimate for the state income tax withheld by the employer on behalf of new employees expected to fill new jobs created within the redevelopment area after redevelopment;

(d) The official statement of any bond issue pursuant to this subsection after December 23, 1997;

(e) An affidavit that is signed by the developer or developers attesting that the provisions of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the redevelopment area would not be reasonably anticipated to be developed without the appropriation of the new state revenues;

(f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri; and

(g) The statement of election between the use of the incremental increase of the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;

(h) The name, street and mailing address, and phone number of the mayor or chief executive officer of the municipality;

(i) The street address of the development site;

(j) The three-digit North American Industry Classification System number or numbers characterizing the development project;

(k) The estimated development project costs;

(l) The anticipated sources of funds to pay such development project costs;

(m) Evidence of the commitments to finance such development project costs;

(n) The anticipated type and term of the sources of funds to pay such development project costs;

(o) The anticipated type and terms of the obligations to be issued;

(p) The most recent equalized assessed valuation of the property within the development project area;

(q) An estimate as to the equalized assessed valuation after the development project area is developed in accordance with a development plan;

(r) The general land uses to apply in the development area;

(s) The total number of individuals employed in the development area, broken down by full-time, part-time, and temporary positions;

(t) The total number of full-time equivalent positions in the development area;

(u) The current gross wages, state income tax withholdings, and federal income tax withholdings for individuals employed in the development area;

(v) The total number of individuals employed in this state by the corporate parent of any business benefitting from public expenditures in the development area, and all subsidiaries thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time, and temporary positions;

(w) The number of new jobs to be created by any business benefitting from public expenditures in the

development area, broken down by full-time, part-time, and temporary positions;

(x) The average hourly wage to be paid to all current and new employees at the project site, broken down by full-time, part-time, and temporary positions;

(y) For project sites located in a metropolitan statistical area, as defined by the federal Office of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state for the industries involved at the project, as established by the United States Bureau of Labor Statistics;

(z) For project sites located outside of metropolitan statistical areas, the average weekly wage paid to nonmanagerial employees in the county for industries involved at the project, as established by the United States Department of Commerce;

(aa) A list of other community and economic benefits to result from the project;

(bb) A list of all development subsidies that any business benefitting from public expenditures in the development area has previously received for the project, and the name of any other granting body from which such subsidies are sought;

(cc) A list of all other public investments made or to be made by this state or units of local government to support infrastructure or other needs generated by the project for which the funding pursuant to this section is being sought;

(dd) A statement as to whether the development project may reduce employment at any other site, within or without the state, resulting from automation, merger, acquisition, corporate restructuring, relocation, or other business activity;

(ee) A statement as to whether or not the project involves the relocation of work from another address and if so, the number of jobs to be relocated and the address from which they are to be relocated;

(ff) A list of competing businesses in the county containing the development area and in each contiguous county;

(gg) A market study for the development area;

(hh) A certification by the chief officer of the applicant as to the accuracy of the development plan;

(2) The methodologies used in the application for determining the base year and determining the estimate of the incremental increase in the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area shall be approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. Upon approval of the application, the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee shall issue a certificate of approval. The department of economic development may request the appropriation following application approval;

(3) The appropriation shall be either a portion of the estimate of the incremental increase in the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the estimate of the state income tax withheld by the employer on behalf of new employees who fill new jobs created in the redevelopment area as indicated in the municipality's application, approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. At no time shall the annual amount of the new state revenues approved

for disbursements from the Missouri supplemental tax increment financing fund exceed thirty-two million dollars;

(4) Redevelopment plans and projects receiving new state revenues shall have a duration of up to fifteen years, unless prior approval for a longer term is given by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee; except that, in no case shall the duration exceed twenty-three years.

11. In addition to the areas authorized in subsection 9 of this section, the funding authorized pursuant to subsection 4 of this section shall also be available in a federally approved levee district, where construction of a levee begins after December 23, 1997, and which is contained within a county of the first classification without a charter form of government with a population between fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a population in excess of four hundred thousand or more inhabitants.

12. There is hereby established within the state treasury a special fund to be known as the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of economic development. The department shall annually distribute from the Missouri supplemental tax increment financing fund the amount of the new state revenues as appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the conditions of subsection 10 of this section are met. The fund shall also consist of any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys in the Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to state appropriations.

13. Redevelopment project costs may include, at the prerogative of the state, the portion of salaries and expenses of the department of economic development and the department of revenue reasonably allocable to each redevelopment project approved for disbursements from the Missouri supplemental tax increment financing fund for the ongoing administrative functions associated with such redevelopment project. Such amounts shall be recovered from new state revenues deposited into the Missouri supplemental tax increment financing fund created under this section.

14. For redevelopment plans or projects approved by ordinance that result in net new jobs from the relocation of a national headquarters from another state to the area of the redevelopment project, the economic activity taxes and new state tax revenues shall not be based on a calculation of the incremental increase in taxes as compared to the base year or prior calendar year for such redevelopment project, rather the incremental increase shall be the amount of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.""; and

Further amend the title and enacting clause accordingly.

Senator Schmitt moved that the above amendment be adopted, which motion prevailed.

Senator Wasson offered **SA 7**:

**SENATE AMENDMENT NO. 7**

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 1, Section A, Line 3, by inserting after all of said line the following:

“67.457. 1. To establish a neighborhood improvement district, the governing body of any city or county shall comply with either of the procedures described in subsection 2 or 3 of this section.

2. The governing body of any city or county proposing to create a neighborhood improvement district may by resolution submit the question of creating such district to all qualified voters residing within such district at a general or special election called for that purpose. Such resolution shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, and the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year during the term of the bonds issued for the original improvement and after such bonds are paid in full. The governing body of the city or county may create a neighborhood improvement district when the question of creating such district has been approved by the vote of the percentage of electors within such district voting thereon that is equal to the percentage of voter approval required for the issuance of general obligation bonds of such city or county under article VI, section 26 of the constitution of this state. The notice of election containing the question of creating a neighborhood improvement district shall contain the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year after the bonds issued for the original improvement are paid in full, and a statement that the final cost of such improvement assessed against real property within the district and the amount of general obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as stated in such notice, by more than twenty-five percent, and that the annual assessment for maintenance costs of the improvements shall not exceed the estimated annual maintenance cost, as stated in such notice, by more than twenty-five percent. The ballot upon which the question of creating a neighborhood improvement district is submitted to the qualified voters residing within the proposed district shall contain a question in substantially the following form:

Shall ..... (name of city or county) be authorized to create a neighborhood improvement district proposed for the ..... (project name for the proposed improvement) and incur indebtedness and issue general obligation bonds to pay for all or part of the cost of public improvements within such district, the cost of all indebtedness so incurred to be assessed by the governing body of the ..... (city or county) on the real property benefitted by such improvements for a period of ..... years, and, if included in the resolution, an assessment in each year thereafter with the proceeds thereof used solely for maintenance of the improvement?

3. As an alternative to the procedure described in subsection 2 of this section, the governing body of a city or county may create a neighborhood improvement district when a proper petition has been signed by the owners of record of at least two-thirds by area of all real property located within such proposed district. Each owner of record of real property located in the proposed district is allowed one signature. Any person, corporation, or limited liability partnership owning more than one parcel of land located in such proposed district shall be allowed only one signature on such petition. The petition, in order to become effective, shall be filed with the city clerk or county clerk. A proper petition for the creation of a neighborhood improvement district shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, the proposed method or methods of assessment of real

property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year during the term of the bonds issued for the original improvement and after such bonds are paid in full, a notice that the names of the signers may not be withdrawn later than seven days after the petition is filed with the city clerk or county clerk, and a notice that the final cost of such improvement assessed against real property within the district and the amount of general obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as stated in such petition, by more than twenty-five percent, and that the annual assessment for maintenance costs of the improvements shall not exceed the estimated annual maintenance cost, as stated in such petition, by more than twenty-five percent.

4. Upon receiving the requisite voter approval at an election or upon the filing of a proper petition with the city clerk or county clerk, the governing body may by resolution or ordinance determine the advisability of the improvement and may order that the district be established and that preliminary plans and specifications for the improvement be made. Such resolution or ordinance shall state and make findings as to the project name for the proposed improvement, the nature of the improvement, the estimated cost of such improvement, the boundaries of the neighborhood improvement district to be assessed, the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year after the bonds issued for the original improvement are paid in full, and shall also state that the final cost of such improvement assessed against the real property within the neighborhood improvement district and the amount of general obligation bonds issued therefor shall not, without a new election or petition, exceed the estimated cost of such improvement by more than twenty-five percent.

5. The boundaries of the proposed district shall be described by metes and bounds, streets or other sufficiently specific description. The area of the neighborhood improvement district finally determined by the governing body of the city or county to be assessed may be less than, but shall not exceed, the total area comprising such district.

6. In any neighborhood improvement district organized prior to August 28, 1994, an assessment may be levied and collected after the original period approved for assessment of property within the district has expired, with the proceeds thereof used solely for maintenance of the improvement, if the residents of the neighborhood improvement district either vote to assess real property within the district for the maintenance costs in the manner prescribed in subsection 2 of this section or if the owners of two-thirds of the area of all real property located within the district sign a petition for such purpose in the same manner as prescribed in subsection 3 of this section.

**7. Prior to any assessment hereafter being levied against any real property within any neighborhood improvement district, and prior to any lien enforceable under either chapter 140 or 141 being imposed after August 28, 2013 against any real property within a neighborhood improvement district, the clerk of the governing body establishing the neighborhood improvement district shall cause to be recorded with the recorder of deeds for the county in which any portion of the neighborhood improvement district is located, a document conforming to the provisions of sections 59.310 and 59.313, and which shall contain at least the following information:**

**(1) Each owner of record of real property located within the neighborhood improvement district at the time of recording, who shall be identified in the document as grantors and indexed by the recorder pursuant to section 59.440;**

**(2) The governing body establishing the neighborhood improvement district and the title of any official or agency responsible for collecting or enforcing any assessments, who shall be identified in the document as grantees and so indexed by the recorder pursuant to section 59.440;**

**(3) The legal description of the property within the neighborhood improvement district which may either be the metes and bounds description authorized in subsection 5 of this section or the legal description of each lot or parcel within the neighborhood improvement district; and**

**(4) The identifying number of the resolution or ordinance creating the neighborhood improvement district, or a copy of such resolution or ordinance.”; and**

Further amend the title and enacting clause accordingly.

Senator Wasson moved that the above amendment be adopted, which motion prevailed.

Senator LeVota offered **SA 8**:

**SENATE AMENDMENT NO. 8**

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 3, Section 67.469, Line 11, by inserting after all of said line the following:

“71.011. 1. Except as provided in subsection 2 of this section, property of a municipality which abuts another municipality may be concurrently detached from one municipality and annexed by the other municipality by the enactment by the governing bodies of each municipality of an ordinance describing by metes and bounds the property, declaring the property so described to be concurrently detached and annexed, and stating the reasons for and the purposes to be accomplished by the detachment and annexation. One certified copy of each ordinance shall be filed with the county clerk, with the county assessor, with the county recorder of deeds, and with the clerk of the circuit court of the county in which the property is located, whereupon the concurrent detachment and annexation shall be complete and final. Thereafter all courts of this state shall take notice of the limits of both municipalities as changed by the ordinances. No declaratory judgment or election shall be required for any concurrent detachment and annexation permitted by this section if there are no residents living in the area or if there are residents in the area and they be notified of the annexation and do not object within sixty days.

2. In a county of the first classification with a charter form of government containing all or a portion of a city with a population of at least three hundred thousand inhabitants[,]:

**(1)** Unimproved property of a municipality which overlaps another municipality may be concurrently detached from one municipality and annexed by the other municipality by the enactment by the governing body of the receiving municipality of an ordinance describing by metes and bounds the property, declaring the property so described to be detached and annexed, and stating the reasons for and the purposes to be accomplished by the detachment and annexation. A copy of said ordinance shall be mailed to the city clerk of the contributing municipality, which shall have thirty days from receipt of said notice to pass an ordinance disapproving the change of boundary. If such ordinance is not passed within thirty days, the change shall be effective and one certified copy of the ordinance shall be filed with the county clerk, with the county assessor, with the county recorder of deeds, and with the clerk of the circuit court of the county in which the property is located, whereupon the concurrent detachment and annexation shall be complete and final. Thereafter all courts of this state shall take notice of the limits of both municipalities as changed by the ordinances. No declaratory judgment or election shall be required for any concurrent detachment and

annexation permitted by this section if the landowners in the area are notified and do not object within sixty days; **or**

**(2) An island of unincorporated area within a municipality, which is contiguous to more than one municipality or contiguous to the Missouri River and the Blue River, may be annexed by an abutting municipality by the enactment by the governing body of the municipality of an ordinance describing the metes and bounds of the property, declaring the property so described to be annexed, and stating the reasons for and the purposes to be accomplished by the annexation. All recording shall be accomplished in the same manner as set out in subdivision (1) of this subsection and shall be effective unless the governing body of the county passes an ordinance within thirty days disapproving the annexation. No declaratory judgment or election shall be required for any annexation permitted by this subdivision. Any annexation permitted by this subdivision shall exclude any property within the unincorporated area when such property has been owned by the same family for at least sixty consecutive years and consists of ten acres or more. The line of ownership from the original settler or buyer may be through children, grandchildren, siblings, nephews, or nieces, including through marriage or adoption.”; and**

Further amend the title and enacting clause accordingly.

Senator LeVota moved that the above amendment be adopted, which motion prevailed.

Senator Lamping offered **SA 9**:

#### SENATE AMENDMENT NO. 9

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 1035, Page 1, Section A, Line 3, by inserting after all of said line the following:

“33.080. **1.** All fees, funds and moneys from whatsoever source received by any department, board, bureau, commission, institution, official or agency of the state government by virtue of any law or rule or regulation made in accordance with any law, excluding all funds received and disbursed by the state on behalf of counties and cities, towns and villages shall, by the official authorized to receive same, and at stated intervals of not more than thirty days, be placed in the state treasury to the credit of the particular purpose or fund for which collected, and shall be subject to appropriation by the general assembly for the particular purpose or fund for which collected during the biennium in which collected and appropriated. The unexpended balance remaining in all such funds (except such unexpended balance as may remain in any fund authorized, collected and expended by virtue of the provisions of the constitution of this state) shall at the end of the biennium and after all warrants on same have been discharged and the appropriation thereof has lapsed, be transferred and placed to the credit of the [ordinary] **general** revenue fund of the state by the state treasurer. Any official or any person who shall willfully fail to comply with any of the provisions of this section, and any person who shall willfully violate any provision hereof, shall be deemed guilty of a misdemeanor; provided, that all such money received by the curators of the University of Missouri except those funds required by law or by instrument granting the same to be paid into the seminary fund of the state, is excepted herefrom, and in the case of other state educational institutions there is excepted herefrom, gifts or trust funds from whatever source; appropriations; gifts or grants from the federal government, private organizations and individuals; funds for or from student activities; farm or housing activities; and other funds from which the whole or some part thereof may be liable to be repaid to the person contributing the same; and hospital fees. All of the above excepted funds shall be reported in detail quarterly to the governor and biennially to the general assembly.

**2. Notwithstanding any provision of law to the contrary concerning the funds listed in subdivisions (1) to (3) of this subsection, the amount specified for each fund listed in subdivisions (1) to (3) of this subsection shall be transferred and placed to the credit of the rebuild damaged infrastructure fund created in section 33.295 on July 1, 2013. The funds subject to the provisions of this subsection and the amount of the transfer are as follows:**

**(1) Insurance dedicated fund established under section 374.150, ten million dollars;**

**(2) Lewis and Clark discovery fund established under section 173.392, the balance in the fund on June 30, 2013;**

**(3) Department of revenue information fund established under section 32.067, one million dollars.**

**3. Notwithstanding any provision of law to the contrary concerning the department of revenue information fund established in section 32.067, two million dollars of such fund shall be transferred and placed to the credit of the general revenue fund of the state on July 1, 2013.**

**33.295. 1. There is hereby established the “Rebuild Damaged Infrastructure Program” to provide funding for the reconstruction, replacement, or renovation of, or repair to, any infrastructure damaged by a presidentially declared natural disaster, including, but not limited to, the physical components of interrelated systems providing essential commodities and services to the public which includes transportation, communication, sewage, water, and electric systems as well as public elementary and secondary school buildings.**

**2. There is hereby created in the state treasury the “Rebuild Damaged Infrastructure Fund”, which shall consist of money appropriated or collected under this section. Any amount to be transferred to the fund on July 1, 2013, pursuant to subsection 2 of section 33.080 and subsection 2 of section 360.045, in excess of fifteen million dollars shall instead be transferred to the state general revenue fund. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the purposes of this section. Any moneys remaining in the fund at the end of the biennium shall 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.**

**3. The provisions of this section shall expire on June 30, 2014.”; and**

Further amend said bill, page 15, section 137.720, line 57 by inserting after all of said line the following:

“360.045. 1. The authority shall have the following powers together with all powers incidental thereto or necessary for the performance thereof:

(1) To have perpetual succession as a body politic and corporate;

(2) To adopt bylaws for the regulation of its affairs and the conduct of its business;

(3) To sue and be sued and to prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;

(4) To have and to use a corporate seal and to alter the same at pleasure;

(5) To maintain an office at such place or places in the state of Missouri as it may designate;

(6) To determine the location and construction of any facility to be financed under the provisions of sections 360.010 to 360.140, and to construct, reconstruct, repair, alter, improve, extend, maintain, lease, and regulate the same; and to designate a participating health institution or a participating educational institution, as the case may be, as its agent to determine the location and construction of a facility undertaken by such participating health institution or participating educational institution, as the case may be, under the provisions of sections 360.010 to 360.140, to construct, reconstruct, repair, alter, improve, extend, maintain, and regulate the same, and to enter into contracts for any and all of such purposes including contracts for the management and operation of the facility;

(7) To lease to a participating health institution or a participating educational institution, as the case may be, the particular health or educational facility or facilities, as the case may be, upon such terms and conditions as the authority shall deem proper; to charge and collect rent therefor; to terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; to include in any such lease, if desired, provisions that the lessee thereof shall have options to renew the term of the lease for such period or periods at such rent as shall be determined by the authority or to purchase any or all of the particular leased facility or facilities; and, upon payment of all of the indebtedness incurred by the authority for the financing of the facility or facilities, to convey any or all of such facility or facilities to the lessee or lessees thereof. Every lease agreement between the authority and an institution must contain a clause obligating the institution not to use the leased land, nor any facility located thereon, for sectarian instruction or study or as a place of religious worship, or in connection with any part of the program of a school or department of divinity of any religious denomination; to insure that this covenant is honored, each lease agreement shall allow the authority to conduct inspections, and every conveyance of title to an institution shall contain a restriction against use for any sectarian purpose;

(8) To issue its bonds, notes, or other obligations for any of its corporate purposes and to refund the same, all as provided in sections 360.010 to 360.140;

**(9) To transfer assets of the authority to the rebuild damaged infrastructure fund created in section 33.295;**

(10) To fix and revise from time to time and make and collect rates, rents, fees, and charges for the use of and services furnished or to be furnished by any facility or facilities or any portion thereof and to contract with any person, firm, or corporation or other body, public or private, in respect thereof; except that the authority shall have no jurisdiction over rates, rents, fees, and charges established by a participating educational institution for its students or established by a participating health institution for its patients other than to require that such rates, rents, fees, and charges by such an institution be sufficient to discharge the institution's obligations to the authority;

[(10)] (11) To establish rules and regulations for review by or on behalf of the authority of the retention or employment by a participating health institution or by a participating educational institution, as the case may be, of consulting engineers, architects, attorneys, accountants, construction and finance experts, superintendents, managers, and such other employees and agents as shall be determined to be necessary in connection with any such facility or facilities and for review by or on behalf of the authority of all reports, studies, or other material prepared in connection with any bond issue of the authority for any such facility or facilities. The costs incurred or to be incurred by a participating health institution or by a participating educational institution in connection with the review shall be deemed, where appropriate, an expense of constructing the facility or facilities or, where appropriate, shall be deemed an annual expense of operation

and maintenance of the facility or facilities;

[(11)] (12) To receive and accept from any public agency loans or grants for or in aid of the construction of a facility or facilities, or any portion thereof, or for equipping the same and to receive and accept grants, gifts, or other contributions from any source;

[(12)] (13) To mortgage or pledge all or any portion of any facility or facilities, including any other health or educational facility or facilities conveyed to the authority for such purpose and the site or sites thereof, whether then owned or thereafter acquired, for the benefit of the holders of the bonds of the authority issued to finance such facility or facilities or any portion thereof or issued to refund or refinance outstanding indebtedness of a private health institution or a private institution of higher education as permitted by sections 360.010 to 360.140;

[(13)] (14) To make loans to any participating health institution or participating educational institution, as the case may be, for the cost of any facility or facilities in accordance with an agreement between the authority and such participating health institution or participating educational institution, as the case may be; except that no such loan shall exceed the total cost of such facility or facilities as determined by the participating health institution or participating educational institution, as the case may be, and approved by the authority;

[(14)] (15) To make loans to a participating health institution or participating educational institution, as the case may be, to refund outstanding obligations, mortgages, or advances issued, made, or given by the institution for the cost of its facility or facilities, including the power to issue bonds and make loans to a participating health institution or participating educational institution, as the case may be, to refinance indebtedness incurred for facilities undertaken and completed prior to or after September 28, 1975, whenever the authority finds that the financing is in the public interest, alleviates a financial hardship upon the participating health institution or participating educational institution, as the case may be, and results in a lesser cost of patient care or cost of education and a saving to third parties, including state or federal governments, and to others who must pay for the care or education;

[(15)] (16) To inspect any and all facilities assisted by the authority in any way to enforce the prohibition against sectarian or religious use at any time; and

[(16)] (17) To do all things necessary and convenient to carry out the purposes of sections 360.010 to 360.140.

**2. Notwithstanding any provision of law to the contrary, including section 360.115, the authority shall transfer four million dollars of the assets of the authority to the rebuild damaged infrastructure fund created in section 33.295 on July 1, 2013.**

Section B. Because of the necessity to provide funding for the reconstruction, replacement, or renovation of, or repair to, any infrastructure damaged by a presidentially declared natural disaster, the enactment of section 33.295 and the repeal and reenactment of sections 33.080 and 360.045 of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the enactment of section 33.295 and the repeal and reenactment of sections 33.080 and 360.045 of this act of this act shall be in full force and effect upon its passage and approval.”; and

further amend the title and enacting clause accordingly.

Senator Lamping moved that the above amendment be adopted, which motion prevailed.

Senator Schmitt moved that **SCS** for **HCS** for **HB 1035**, as amended, be adopted, which motion prevailed.

On motion of Senator Schmitt, **SCS** for **HCS** for **HB 1035**, as amended, was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Justus
Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla	McKenna
Munzlinger	Nieves	Parson	Pearce	Richard	Romine	Rupp	Sater
Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh	Wasson—32

NAYS—Senators—None

Absent—Senator Nasheed—1

Absent with leave—Senator Holsman—1

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Keaveny
Kehoe	Kraus	Lager	Lamping	LeVota	Libla	McKenna	Munzlinger
Nieves	Parson	Pearce	Richard	Romine	Rupp	Sater	Schaaf
Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh	Wasson—31	

NAYS—Senators—None

Absent—Senators

Justus                Nasheed—2

Absent with leave—Senator Holsman—1

Vacancies—None

On motion of Senator Schmitt, title to the bill was agreed to.

Senator Schmitt moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

**HB 196**, introduced by Representative Lauer, et al, with **SCS**, entitled:

An Act to repeal sections 100.293, 135.284, 135.800, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478,

620.479, 620.480, 620.481, 620.482, 620.1881, and 620.1910, RSMo, and to enact in lieu thereof nine new sections relating to job training programs.

Was taken up by Senator Romine.

**SCS** for **HB 196**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE BILL NO. 196

An Act to repeal sections 100.293, 135.284, 135.800, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 288.040, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.1881, and 620.1910, RSMo, and to enact in lieu thereof ten new sections relating to job training programs, with an emergency clause for a certain section.

Was taken up.

Senator Romine moved that **SCS** for **HB 196** be adopted.

Senator Rupp offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for House Bill No. 196, Page 5, Section 135.800, Line 89, by inserting immediately after said line the following:

“287.220. 1. All cases of permanent disability where there has been previous disability shall be compensated as herein provided. Compensation shall be computed on the basis of the average earnings at the time of the last injury. If any employee who has a preexisting permanent partial disability whether from compensable injury or otherwise, of such seriousness as to constitute a hindrance or obstacle to employment or to obtaining reemployment if the employee becomes unemployed, and the preexisting permanent partial disability, if a body as a whole injury, equals a minimum of fifty weeks of compensation or, if a major extremity injury only, equals a minimum of fifteen percent permanent partial disability, according to the medical standards that are used in determining such compensation, receives a subsequent compensable injury resulting in additional permanent partial disability so that the degree or percentage of disability, in an amount equal to a minimum of fifty weeks compensation, if a body as a whole injury or, if a major extremity injury only, equals a minimum of fifteen percent permanent partial disability, caused by the combined disabilities is substantially greater than that which would have resulted from the last injury, considered alone and of itself, and if the employee is entitled to receive compensation on the basis of the combined disabilities, the employer at the time of the last injury shall be liable only for the degree or percentage of disability which would have resulted from the last injury had there been no preexisting disability. After the compensation liability of the employer for the last injury, considered alone, has been determined by an administrative law judge or the commission, the degree or percentage of employee’s disability that is attributable to all injuries or conditions existing at the time the last injury was sustained shall then be determined by that administrative law judge or by the commission and the degree or percentage of disability which existed prior to the last injury plus the disability resulting from the last injury, if any, considered alone, shall be deducted from the combined disability, and compensation for the balance, if any, shall be paid out of a special fund known as the second injury fund, hereinafter provided for. If the previous disability or disabilities, whether from compensable injury or otherwise, and the last injury together result in total and permanent disability, the minimum standards under this subsection for a body

as a whole injury or a major extremity injury shall not apply and the employer at the time of the last injury shall be liable only for the disability resulting from the last injury considered alone and of itself; except that if the compensation for which the employer at the time of the last injury is liable is less than the compensation provided in this chapter for permanent total disability, then in addition to the compensation for which the employer is liable and after the completion of payment of the compensation by the employer, the employee shall be paid the remainder of the compensation that would be due for permanent total disability under section 287.200 out of a special fund known as the "Second Injury Fund" hereby created exclusively for the purposes as in this section provided and for special weekly benefits in rehabilitation cases as provided in section 287.141. Maintenance of the second injury fund shall be as provided by section 287.710. The state treasurer shall be the custodian of the second injury fund which shall be deposited the same as are state funds and any interest accruing thereon shall be added thereto. The fund shall be subject to audit the same as state funds and accounts and shall be protected by the general bond given by the state treasurer. Upon the requisition of the director of the division of workers' compensation, warrants on the state treasurer for the payment of all amounts payable for compensation and benefits out of the second injury fund shall be issued.

2. In all cases in which a recovery against the second injury fund is sought for permanent partial disability, permanent total disability, or death, the state treasurer as custodian thereof shall be named as a party, and shall be entitled to defend against the claim. The state treasurer, with the advice and consent of the attorney general of Missouri, may enter into compromise settlements as contemplated by section 287.390, or agreed statements of fact that would affect the second injury fund. All awards for permanent partial disability, permanent total disability, or death affecting the second injury fund shall be subject to the provisions of this chapter governing review and appeal. For all claims filed against the second injury fund on or after July 1, 1994, the attorney general shall use assistant attorneys general except in circumstances where an actual or potential conflict of interest exists, to provide legal services as may be required in all claims made for recovery against the fund. Any legal expenses incurred by the attorney general's office in the handling of such claims, including, but not limited to, medical examination fees, expert witness fees, court reporter expenses, travel costs, and related legal expenses shall be paid by the fund.

Effective July 1, 1993, the payment of such legal expenses shall be contingent upon annual appropriations made by the general assembly, from the fund, to the attorney general's office for this specific purpose.

3. If more than one injury in the same employment causes concurrent temporary disabilities, compensation shall be payable only for the longest and largest paying disability.

4. If more than one injury in the same employment causes concurrent and consecutive permanent partial disability, compensation payments for each subsequent disability shall not begin until the end of the compensation period of the prior disability.

5. If an employer fails to insure or self-insure as required in section 287.280, funds from the second injury fund may be withdrawn to cover the fair, reasonable, and necessary expenses to cure and relieve the effects of the injury or disability of an injured employee in the employ of an uninsured employer, or in the case of death of an employee in the employ of an uninsured employer, funds from the second injury fund may be withdrawn to cover fair, reasonable, and necessary expenses in the manner required in sections 287.240 and 287.241. In defense of claims arising under this subsection, the treasurer of the state of Missouri, as custodian of the second injury fund, shall have the same defenses to such claims as would the uninsured employer. Any funds received by the employee or the employee's dependents, through civil or

other action, must go towards reimbursement of the second injury fund, for all payments made to the employee, the employee's dependents, or paid on the employee's behalf, from the second injury fund pursuant to this subsection. The office of the attorney general of the state of Missouri shall bring suit in the circuit court of the county in which the accident occurred against any employer not covered by this chapter as required in section 287.280.

6. Every three years the second injury fund shall have an actuarial study made to determine the solvency of the fund, appropriate funding level of the fund, and forecasted expenditures from the fund. The first actuarial study shall be completed prior to July 1, 1988. The expenses of such actuarial studies shall be paid out of the fund for the support of the division of workers' compensation.

7. The director of the division of workers' compensation shall maintain the financial data and records concerning the fund for the support of the division of workers' compensation and the second injury fund. The division shall also compile and report data on claims made pursuant to subsection 9 of this section. The attorney general shall provide all necessary information to the division for this purpose.

8. All claims for fees and expenses filed against the second injury fund and all records pertaining thereto shall be open to the public.

9. Any employee who at the time a compensable work-related injury is sustained is employed by more than one employer, the employer for whom the employee was working when the injury was sustained shall be responsible for wage loss benefits applicable only to the earnings in that employer's employment and the injured employee shall be entitled to file a claim against the second injury fund for any additional wage loss benefits attributed to loss of earnings from the employment or employments where the injury did not occur, up to the maximum weekly benefit less those benefits paid by the employer in whose employment the employee sustained the injury. The employee shall be entitled to a total benefit based on the total average weekly wage of such employee computed according to subsection 8 of section 287.250. The employee shall not be entitled to a greater rate of compensation than allowed by law on the date of the injury. The employer for whom the employee was working where the injury was sustained shall be responsible for all medical costs incurred in regard to that injury.

**10. An employee that is employed in a sheltered workshop as established in sections 205.968 to 205.972 or sections 178.900 to 178.960 who thereafter sustains a compensable work-related injury that, when combined with the preexisting disability, results in a permanent total disability as defined under this chapter shall be compensated as provided in this section.”; and**

Further amend the title and enacting clause accordingly.

Senator Rupp moved that the above amendment be adopted.

Senator Romine raised the point of order that **SA 1** is out of order as it goes beyond the scope of the subject matter of the underlying bill.

The point of order was referred to the President Pro Tem who took it under advisement which placed **HB 196**, with **SCS, SA 1** and the point of order (pending) on the Informal Calendar.

Senator Kehoe assumed the Chair.

**HB 253**, introduced by Representative Berry, et al, entitled:

An Act to repeal sections 143.071, 143.221, 144.020, and 144.030, RSMo, and to enact in lieu thereof five new sections relating to the taxation of businesses.

Was taken up by Senator Schmitt.

Senator Kraus offered **SS** for **HB 253**, entitled:

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 253

An Act to repeal sections 32.087, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 143.011, 143.021, 143.071, 143.151, 143.221, 144.010, 144.014, 144.030, 144.032, 144.043, 144.049, 144.054, 144.069, 144.070, 144.080, 144.083, 144.100, 144.140, 144.210, 144.285, 144.517, 144.526, 144.605, 144.655, 144.710, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 221.407, 238.235, 238.410, 644.032, RSMo, and to enact in lieu thereof seventy-nine new sections relating to taxation, with penalty provisions, effective dates for certain sections, and an emergency clause.

Senator Kraus moved that **SS** for **HB 253** be adopted.

Senator McKenna offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute for House Bill No. 253, Page 180, Section 143.071, Line 1 of said page, by inserting after all of said line the following:

**“143.145. 1. As used in this section, the following terms mean:**

**(1) “Contract sales price”, the total price paid by a taxpayer for the purchase of a qualified principal residence;**

**(2) “Deduction”, an amount deducted from the taxpayer’s Missouri adjusted gross income pursuant to section 143.121 to determine Missouri taxable income for the tax year in which such deduction is claimed;**

**(3) “Purchase”, any conveyance to a taxpayer of fee simple ownership interest in a qualified principal residence made by deed executed by any person having authority to convey the same, or by his agent or attorney, and acknowledged and recorded pursuant to chapter 442 after the effective date of this section but before January 1, 2016;**

**(4) “Qualified principal residence”, any single-family residence located in the state of Missouri, whether detached or attached, that is owner occupied or will be owner occupied after purchase by the taxpayer claiming the deduction allowed by this section as his or her primary residence, for which construction began and has been completed between August 28, 2013, and December 31, 2015, and that has not been previously occupied. For the purposes of this section, a manufactured home, modular unit, recreational park trailer, or recreational vehicle as defined in section 700.010, shall not be considered a single-family residence. For the purposes of this section, the value of land or any pre-existing structures on such land shall not be included in the value of such residence. The taxpayer shall submit an appraisal to the department that separately states the value of the land and any existing structures in order to claim the deduction;**

**(5) “Recapture period”, the two taxable years beginning with the first taxable year following the**

taxable year in which the taxpayer occupied the qualified principal residence for which a deduction is allowed under this section, except that such recapture period shall be deemed to have expired immediately upon the date of the death of any person deemed a taxpayer under this section;

(6) “Taxpayer”, an individual who purchases a fee simple ownership interest in a qualified principal residence during a taxable year and has not previously received a deduction issued pursuant to this section in any taxable year.

2. In addition to all deductions listed in this chapter, for taxable years beginning on or after January 1, 2013, and ending on or before December 31, 2015, a taxpayer shall be allowed a deduction for the purchase of a qualified principal residence in this state. The deduction amount shall be equal to the lesser of:

- (1) One-third of the contract sales price of the qualified principal residence in this state; or
- (2) One hundred sixty-six thousand six hundred sixty-seven dollars.

3. No taxpayer shall claim a tax deduction for the purchase of more than one qualified principal residence under this section. Such tax deduction shall be limited to a maximum tax benefit of ten thousand dollars.

4. If the amount of the deduction allowed under this section exceeds the total Missouri adjusted gross income for the taxpayer in the same tax year in which the deduction is allowed without taking into account the deduction allowed by this section, the amount that exceeds the total Missouri adjusted gross income for the taxpayer without taking into account the deduction allowed by this section may be carried forward to any subsequent tax year until the full deduction is claimed.

5. If a taxpayer disposes of his or her qualified principal residence for which a deduction was allowed under this section or such qualified principal residence ceases to be the principal residence of the taxpayer (and if married the taxpayer’s spouse) before the end of the recapture period, then any remaining unused deduction shall be cancelled, and the taxpayer shall be subject to an addition to his or her Missouri adjusted gross income of any amount deducted under this section in any preceding tax year. The provisions of this subsection shall not apply in the case of a transfer of a qualified principal residence from an individual taxpayer to a spouse (or to a former spouse if the transfer is incident to a divorce) or from an individual taxpayer to a grantor-trust or a single-member limited liability company owned by the taxpayer.

6. If a Missouri taxpayer self-constructs a qualified principal residence, such taxpayer shall be eligible for a tax deduction allowed by this section by satisfying the department of revenue’s proof of documentation requirements to verify the contract sale price of a qualified principle residence.

7. The department of revenue shall establish the procedure by which the deduction provided in this section may be claimed and may promulgate rules 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, 2013, shall be invalid and void.

**8. Pursuant to section 23.253 of the Missouri Sunset Act:**

**(1) The provisions of the new program authorized under this section shall automatically sunset December 31, 2015, unless reauthorized by an act of the general assembly; and**

**(2) If such program is reauthorized, the program authorized under this section shall automatically sunset December thirty-first one year after the effective date of the reauthorization of this section; and**

**(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.”; and**

Further amend the title and enacting clause accordingly.

Senator McKenna moved that the above amendment be adopted, which motion failed.

Senator Pearce assumed the Chair.

Senator Sifton offered **SA 2:**

**SENATE AMENDMENT NO. 2**

Amend Senate Substitute for House Bill No. 253, Page 180, Section 143.071, Line 1, by inserting immediately after all of said line the following:

“143.121. 1. The Missouri adjusted gross income of a resident individual shall be the taxpayer’s federal adjusted gross income subject to the modifications in this section.

2. There shall be added to the taxpayer’s federal adjusted gross income:

(1) The amount of any federal income tax refund received for a prior year which resulted in a Missouri income tax benefit;

(2) Interest on certain governmental obligations excluded from federal gross income by Section 103 of the Internal Revenue Code. The previous sentence shall not apply to interest on obligations of the state of Missouri or any of its political subdivisions or authorities and shall not apply to the interest described in subdivision (1) of subsection 3 of this section. The amount added pursuant to this subdivision shall be reduced by the amounts applicable to such interest that would have been deductible in computing the taxable income of the taxpayer except only for the application of Section 265 of the Internal Revenue Code. The reduction shall only be made if it is at least five hundred dollars;

(3) The amount of any deduction that is included in the computation of federal taxable income pursuant to Section 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of 2002 to the extent the amount deducted relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount deducted exceeds the amount that would have been deductible pursuant to Section 168 of the Internal Revenue Code of 1986 as in effect on January 1, 2002;

(4) The amount of any deduction that is included in the computation of federal taxable income for net operating loss allowed by Section 172 of the Internal Revenue Code of 1986, as amended, other than the deduction allowed by Section 172(b)(1)(G) and Section 172(i) of the Internal Revenue Code of 1986, as amended, for a net operating loss the taxpayer claims in the tax year in which the net operating loss occurred or carries forward for a period of more than twenty years and carries backward for more than two years. Any amount of net operating loss taken against federal taxable income but disallowed for Missouri income tax

purposes pursuant to this subdivision after June 18, 2002, may be carried forward and taken against any income on the Missouri income tax return for a period of not more than twenty years from the year of the initial loss; and

(5) For nonresident individuals in all taxable years ending on or after December 31, 2006, the amount of any property taxes paid to another state or a political subdivision of another state for which a deduction was allowed on such nonresident's federal return in the taxable year unless such state, political subdivision of a state, or the District of Columbia allows a subtraction from income for property taxes paid to this state for purposes of calculating income for the income tax for such state, political subdivision of a state, or the District of Columbia.

3. There shall be subtracted from the taxpayer's federal adjusted gross income the following amounts to the extent included in federal adjusted gross income:

(1) Interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent exempt from Missouri income taxes pursuant to the laws of the United States. The amount subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred to carry the described obligations or securities and by any expenses incurred in the production of interest or dividend income described in this subdivision. The reduction in the previous sentence shall only apply to the extent that such expenses including amortizable bond premiums are deducted in determining the taxpayer's federal adjusted gross income or included in the taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total at least five hundred dollars;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to one-half of such portion of the gain;

(3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity or other amount of income or gain which was properly included in income or gain and was taxed pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain;

(4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income;

(5) The amount of any state income tax refund for a prior year which was included in the federal adjusted gross income;

(6) The portion of capital gain specified in section 135.357 that would otherwise be included in federal adjusted gross income;

(7) The amount that would have been deducted in the computation of federal taxable income pursuant to Section 168 of the Internal Revenue Code as in effect on January 1, 2002, to the extent that amount relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to Section 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of 2002;

(8) For all tax years beginning on or after January 1, 2005, the amount of any income received for military service while the taxpayer serves in a combat zone which is included in federal adjusted gross income and not otherwise excluded therefrom. As used in this section, “combat zone” means any area which the President of the United States by Executive Order designates as an area in which Armed Forces of the United States are or have engaged in combat. Service is performed in a combat zone only if performed on or after the date designated by the President by Executive Order as the date of the commencing of combat activities in such zone, and on or before the date designated by the President by Executive Order as the date of the termination of combatant activities in such zone; and

(9) For all tax years ending on or after July 1, 2002, with respect to qualified property that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an [addition] **additional** modification was made under subdivision (3) of subsection 2 of this section, the amount by which [addition] **additional** modification made under subdivision (3) of subsection 2 of this section on qualified property has not been recovered through the additional subtractions provided in subdivision (7) of this subsection.

4. There shall be added to or subtracted from the taxpayer’s federal adjusted gross income the taxpayer’s share of the Missouri fiduciary adjustment provided in section 143.351.

5. There shall be added to or subtracted from the taxpayer’s federal adjusted gross income the modifications provided in section 143.411.

6. In addition to the modifications to a taxpayer’s federal adjusted gross income in this section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer’s federal adjusted gross income any gain recognized pursuant to Section 1033 of the Internal Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of property as a result of condemnation or the imminence thereof.

7. (1) As used in this subsection, “qualified health insurance premium” means the amount paid during the tax year by such taxpayer for any insurance policy primarily providing health care coverage for the taxpayer, the taxpayer’s spouse, or the taxpayer’s dependents.

(2) In addition to the subtractions in subsection 3 of this section, one hundred percent of the amount of qualified health insurance premiums shall be subtracted from the taxpayer’s federal adjusted gross income to the extent the amount paid for such premiums is included in federal taxable income. The taxpayer shall provide the department of revenue with proof of the amount of qualified health insurance premiums paid.

8. (1) Beginning January 1, 2009, in addition to the subtractions provided in this section, one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an entity certified by the department of natural resources under section 640.153 or the implementation of any energy efficiency recommendations made in such an audit shall be subtracted from the taxpayer’s federal adjusted gross income to the extent the amount paid for any such activity is included in federal taxable income. The taxpayer shall provide the department of revenue with a summary of any recommendations made in a qualified home energy audit, the name and certification number of the qualified home energy auditor who conducted the audit, and proof of the amount paid for any activities under this subsection for which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any recommendations made in a qualified home energy audit to the department of natural resources.

(2) At no time shall a deduction claimed under this subsection by an individual taxpayer or taxpayers filing combined returns exceed one thousand dollars per year **for individual taxpayers** or cumulatively

exceed two thousand dollars per [taxpayer or] **year for** taxpayers filing combined returns.

(3) Any deduction claimed under this subsection shall be claimed for the tax year in which the qualified home energy audit was conducted or in which the implementation of the energy efficiency recommendations occurred. If implementation of the energy efficiency recommendations occurred during more than one year, the deduction may be claimed in more than one year, subject to the limitations provided under subdivision (2) of this subsection.

(4) A deduction shall not be claimed for any otherwise eligible activity under this subsection if such activity qualified for and received any rebate or other incentive through a state-sponsored energy program or through an electric corporation, gas corporation, electric cooperative, or municipally owned utility.

9. The provisions of subsection 8 of this section shall expire on December 31, [2013] **2019.**"; and  
Further amend the title and enacting clause accordingly.

Senator Sifton moved that the above amendment be adopted, which motion failed.

Senator LeVota offered **SA 3**:

#### SENATE AMENDMENT NO. 3

Amend Senate Substitute for House Bill No. 253, Page 180, Section 143.071, Line 1 of said page, by inserting immediately after all of said line the following:

"143.131. 1. The Missouri standard deduction may be deducted in determining Missouri taxable income of a resident individual unless the taxpayer or his spouse has elected to itemize his deduction as provided in section 143.141.

2. The Missouri standard deduction shall be [the allowable federal standard deduction] **twenty-five thousand dollars for individuals filing a single return and thirty thousand dollars for a married individual filing a joint return.**"; and

Further amend the title and enacting clause accordingly.

Senator LeVota moved that the above amendment be adopted.

Senator Lager assumed the Chair.

Senator Silvey assumed the Chair.

At the request of Senator Kraus, **HB 253**, with **SS** and **SA 3** (pending), was placed on the Informal Calendar.

President Pro Tem Dempsey assumed the Chair.

#### REPORTS OF STANDING COMMITTEES

Senator Wasson, Chairman of the Committee on Financial and Governmental Organizations and Elections, submitted the following reports:

Mr. President: Your Committee on Financial and Governmental Organizations and Elections, to which was referred **HCS** for **HJR**s **5** and **12**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass.

Also,

Mr. President: Your Committee on Financial and Governmental Organizations and Elections, to which was referred **HCS** for **HBs 48** and **216**, begs leave to report that it has considered the same and recommends that the bill do pass.

Senator Richard, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, submitted the following reports:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **HCR 7**, begs leave to report that it has considered the same and recommends that the concurrent resolution do pass.

Also,

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **SCR 15**, begs leave to report that it has considered the same and recommends that the concurrent resolution do pass.

Also,

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **SCR 3**, begs leave to report that it has considered the same and recommends that the concurrent resolution do pass.

Also,

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **HCR 28**, begs leave to report that it has considered the same and recommends that the concurrent resolution do pass.

Also,

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **HCR 25**, begs leave to report that it has considered the same and recommends that the concurrent resolution do pass.

Also,

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **HCR 16**, begs leave to report that it has considered the same and recommends that the concurrent resolution do pass.

### **HOUSE BILLS ON THIRD READING**

**HCS** for **HB 351**, with **SCS**, entitled:

An Act to repeal sections 197.080 and 197.100, RSMo, and to enact in lieu thereof two new sections relating to hospital licensure.

Was taken up by Senator Brown.

**SCS** for **HCS** for **HB 351**, entitled:

#### SENATE COMMITTEE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 351

An Act to repeal sections 191.227, 197.080, and 197.100, RSMo, and to enact in lieu thereof four new

sections relating to health care providers.

Was taken up.

Senator Brown moved that **SCS** for **HCS** for **HB 351** be adopted.

Senator Silvey offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for House Committee Substitute for House Bill No. 351, Page 1, In the Title, Line 3, of the title, by inserting after “providers” the following: “with an emergency clause for a certain section”; and

Further amend said bill and page, Section A, Line 3, by inserting immediately after all of said line the following:

**“96.229. 1. Notwithstanding subsection 5 of section 96.150 regarding the lease of substantially all of a hospital where the board of trustees is lessor, a city in which a hospital is located that:**

**(1) Is organized and operated under this chapter;**

**(2) Has not accepted appropriated funds from the city during the prior twenty years; and**

**(3) Is licensed by the department of health and senior services for two hundred beds or more pursuant to sections 197.010 to 197.120,**

**shall not have authority to sell, lease, or otherwise transfer all or substantially all of the property from a hospital organized under this chapter, both real and personal, except in accordance with this section.**

**2. Upon filing with the city clerk of a resolution adopted by no less than two-thirds of the incumbent members of the board of trustees to sell, lease, or otherwise transfer all or substantially all of the hospital property, both real and personal, for reasons specified in the resolution, the clerk shall present the resolution to the city council. If a majority of the incumbent members of the city council determine that sale, lease, or other transfer of the hospital property is desirable, the city council shall submit to the voters of the city the question in substantially the following form:**

**“Shall the city council of....., Missouri and the board of trustees of.....hospital be authorized to sell (or lease or otherwise transfer) the property, real and personal, of..... hospital as approved by, and in accordance with, the resolution of the board of trustees authorizing such sale (or lease or transfer)?”**

**A majority of the votes cast on such question shall be required in order to approve and authorize such sale, lease or other transfer. If the question receives less than the required majority, then the city council and the board of trustees shall have no power to sell, lease or otherwise transfer the property, real and personal, of the hospital unless and until the city council has submitted another question to authorize such sale, lease or transfer authorized under this section and such question is approved by the required majority of the qualified voters voting thereon. However, in no event shall a question under this section be submitted to the voters sooner than twelve months from the date of the last question under this section and after the adoption of another resolution by no less than two-thirds of the board of trustees and a subsequent vote by a majority of the city council to again submit the question to the voters.**

**3. Upon passage of such question by the voters, the board of trustees shall sell and dispose of such property, or lease or transfer such property, in the manner proposed by the board of trustees. The deed of the board of trustees, duly authorized by the board of trustees and duly acknowledged and recorded, shall be sufficient to convey to the purchaser all the rights, title, interest, and estate in the hospital property.**

**4. No sale, lease, or other transfer of such hospital property shall be authorized or effective unless such transaction provides sufficient proceeds to be available to be applied to the payment of all interest and principal of any outstanding valid indebtedness incurred for purchase of the site or construction of the hospital, or for any repairs, alterations, improvements, or additions thereto, or for operation of the hospital.**

**5. Assets donated to the hospital pursuant to section 96.210 shall be used to provide health care services in the city and in the geographic region previously served by the hospital, except as otherwise prescribed by the terms of the deed, gift, devise, or bequest.”; and**

Further amend said bill, page 7, Section 1, Line 26, by inserting after all of said line the following:

“Section B. Because of the need to ensure local hospitals can continue the purpose of providing the best care and treatment of the sick, disabled, and infirm persons as decided on by the people in the affected community, the enactment of section 96.229 of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the enactment of section 96.229 of this act shall be in full force and effect upon its passage and approval.”; and

Further amend the title and enacting clause accordingly.

Senator Silvey moved that the above amendment be adopted, which motion prevailed.

Senator Brown moved that **SCS** for **HCS** for **HB 351**, as amended, be adopted, which motion prevailed.

On motion of Senator Brown, **SCS** for **HCS** for **HB 351**, as amended, was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Justus
Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla	McKenna
Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine	Rupp
Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senator Holsman—1

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

## YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Justus	Keaveny
Kehoe	Kraus	Lager	Lamping	LeVota	Libla	McKenna	Munzlinger
Nasheed	Nieves	Parson	Pearce	Richard	Romine	Rupp	Sater
Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh	Wasson—32

NAYS—Senator Emery—1

Absent—Senators—None

Absent with leave—Senator Holsman—1

Vacancies—None

On motion of Senator Brown, title to the bill was agreed to.

Senator Brown moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

On motion of Senator Richard, the Senate recessed for 15 minutes.

### RECESS

The time of recess having expired, the Senate was called to order by President Pro Tem Dempsey.

### HOUSE BILLS ON THIRD READING

Senator Schmitt moved that **HB 253**, with **SS** and **SA 3** (pending), be called from the Informal Calendar and again taken up for 3rd reading and final passage, which motion prevailed.

**SA 3** was again taken up.

At the request of Senator LeVota, the above amendment was withdrawn.

Senator Sifton offered **SA 4**:

#### SENATE AMENDMENT NO. 4

Amend Senate Substitute for House Bill No. 253, Page 162, Section 143.011, Line 26, by inserting immediately before the word “Beginning” the following: “**For all calendar years after the provisions of subdivision (1) of this subsection have been met and until the provisions of subdivision (3) of this subsection are met,**”; and further amend said line by striking the word “first”; and

Further amend said bill and section, page 163, lines 3-4, by striking the words “, until the provisions of subdivision (3) of this subsection are met,”; and further amend line 28, by inserting immediately before the word “Beginning” the following: “**For all calendar years after the provisions of subdivision (2) of this subsection have been met and until the provisions of subdivision (4) of this subsection are met,**”; and further amend said line by striking the word “second”; and

Further amend said bill and section, page 164, lines 5-6, by striking the words “, until the provisions of subdivision (4) of this subsection are met,”; and

Further amend said bill and section, page 165, line 2, by inserting immediately before the word

“Beginning” the following: **“For all calendar years after the provisions of subdivision (3) of this subsection have been met and until the provisions of subdivision (5) of this subsection are met,”**; and further amend said line by striking the word “third”; and further amend lines 7-8 by striking the words “, until the provision of subdivision (5) of this subsection are met,”; and

Further amend said bill and section, page 166, line 4, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (4) of this subsection have been met and until the provisions of subdivision (6) of this subsection are met,”**; and further amend said line by striking the word “fourth”; and further amend lines 9-10, by striking the words “, until the provisions of subdivision (6) of this subsection are met,”; and

Further amend said bill and section, page 167, line 6, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (5) of this subsection have been met and until the provisions of subdivision (7) of this subsection are met,”**; and further amend said line, by striking the word “fifth”; and further amend lines 11-12, by striking the words “, until the provisions of subdivision (7) of this subsection are met,”; and

Further amend said bill and section, page 168, line 8, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (6) of this subsection have been met and until the provisions of subdivision (8) of this subsection are met,”**; and further amend said line, by striking the word “sixth”; and further amend lines 13-14, by striking the words “, until the provisions of subdivision (8) of this subsection are met,”; and

Further amend said bill and section, page 169, line 10, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (7) of this subsection have been met and until the provisions of subdivision (9) of this subsection are met,”**; and further amend said line, by striking the word “seventh”; and further amend lines 15-16, by striking the words “, until the provisions of subdivision (9) of this subsection are met,”; and

Further amend said bill and section, page 170, line 12, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (8) of this subsection have been met and until the provisions of subdivision (10) of this subsection are met,”**; and further amend said line, by striking the word “eighth”; and further amend lines 17-18, by striking the words “, until the provisions of subdivision (10) of this subsection are met,”; and

Further amend said bill and section, page 171, line 14, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (9) of this subsection have been met and until the provisions of subdivision (11) of this subsection are met,”**; and further amend said lines, by striking the word “ninth”; and further amend lines 19-20, by striking the words “, until the provision of subdivision (11) of this subsection are met,”; and

Further amend said bill and section, page 172, line 16, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (10) of this subsection have been met,”**; and further amend said line, by striking the word “tenth”; and

Further amend said bill, page 173, section 143.021, lines 21-25, by striking all of the underlined words and inserting in lieu thereof the following:

**“1. For all tax years beginning before the provisions of subdivision (11) of subsection 1 of section 143.011 are met,”**; and

Further amend said bill and section, page 174, lines 11-15, by striking all said lines and inserting in lieu thereof the following: **“the calendar year in which the provisions of subdivision (11) of subsection 1 of section 143.011 are met, every resident having a taxable income of less than”**; and

Further amend said bill, page 177, section 143.071, line 5, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (1) of this subsection have been met and until the provisions of subdivision (3) of this subsection are met,”**; and further amend said line by striking the word “second”; and further amend lines 10-11 by striking the words “until the provisions of subdivision (3) of this subsection are met,”; and further amend line 14 by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (2) of this subsection have been met and until the provisions of subdivision (4) of this subsection are met,”**; and further amend said line by striking the word “third”; and further amend lines 19-20, by striking the words “until the provisions of subdivision (4) of this subsection are met,”; and further amend line 23, inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (3) of this subsection have been met and until the provisions of subdivision (5) of this subsection are met,”**; and further amend said line by striking the word “fourth”; and further amend line 28, by striking the words “until the provisions of subdivision”; and

Further amend said bill and section, page 178, line 1, by striking the words “(5) of this subsection are met,”; and further amend line 4, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (4) of this subsection have been met and until the provisions of subdivision (6) of this subsection are met,”**; and further amend said line by striking the word “fifth”; and further amend lines 9-10, by striking the words “until the provisions of subdivision (6) of this subsection are met,”; and further amend line 13, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (5) of this subsection have been met and until the provisions of subdivision (7) of this subsection are met,”**; and further amend said line by striking the word “sixth”; and further amend lines 18-19, by striking the words “until the provisions of subdivision (7) of this subsection are met,”; and further amend line 22, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (6) of this subsection have been met and until the provisions of subdivision (8) of this subsection are met,”**; and further amend said line by striking the word “seventh”; and further amend lines 27-28, by striking the words “until the provisions of subdivision (8) of this subsection are met,”; and

Further amend said bill and section, page 179, line 3, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (7) of this subsection have been met and until the provisions of subdivision (9) of this subsection are met,”**; and further amend said line by striking the word “eighth”; and further amend lines 8-9, by striking the words “until the provisions of subdivision (9) of this subsection are met,”; and further amend line 13, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (8) of this subsection have been met and until the provisions of subdivision (10) of this subsection are met,”**; and further amend said line by striking the word “ninth”; and further amend lines 18-19, by striking the words “until the provisions of subdivision (10) of this subsection are met,”; and further amend line 22, by inserting immediately before the word “Beginning” the following: **“For all calendar years after the provisions of subdivision (9) of this subsection have been met,”**; and further amend said line by striking the word “tenth”.

Senator Sifton moved that the above amendment be adopted, which motion prevailed.

Senator Kraus offered **SA 5**:

**SENATE AMENDMENT NO. 5**

Amend Senate Substitute for House Bill No. 253, Page 228, Section 144.030, Line 9, by inserting after the word “disabilities” the following: “**all sales of kidney dialysis equipment and enteral feeding systems,**”.

Senator Kraus moved that the above amendment be adopted, which motion prevailed.

Senator Kraus moved that **SS** for **HB 253**, as amended, be adopted, which motion prevailed.

Senator Schmitt moved that **SS** for **HB 253**, as amended, be read the 3rd time and finally passed and was recognized to close.

President Pro Tem Dempsey referred **SS** for **HB 253**, as amended, to the Committee on Governmental Accountability and Fiscal Oversight.

**REFERRALS**

President Pro Tem Dempsey referred **HB 409** to the Committee on Governmental Accountability and Fiscal Oversight.

**RESOLUTIONS**

Senator Dempsey offered Senate Resolution No. 921, regarding Alexander D. Ernst, St. Charles, which was adopted.

Senator LeVota offered Senate Resolution No. 922, regarding Quinton Templeton, which was adopted.

Senator Kehoe offered Senate Resolution No. 923, regarding Brett Nardoni, St. Charles, which was adopted.

Senator Wasson offered Senate Resolution No. 924, regarding Dr. Gordon Pace, which was adopted.

Senator Keaveny offered Senate Resolution No. 925, regarding Matthew Behnke, which was adopted.

Senator Wallingford offered Senate Resolution No. 926, regarding Amanda Latty, which was adopted.

Senator Justus offered Senate Resolution No. 927, regarding Alyssa Webb, Mexico, which was adopted.

Senator Justus offered Senate Resolution No. 928, regarding Corrections Officer I Joe McLeese, Vandalia, which was adopted.

Senator Justus offered Senate Resolution No. 929, regarding Recreation Officer I Justin Donaldson, Elsberry, which was adopted.

**INTRODUCTIONS OF GUESTS**

Senator Richard introduced to the Senate, Keegan Tinney, Joplin.

Senator Libla introduced to the Senate, Robert Whelan, Poplar Bluff.

On behalf of Senator Pearce, the President introduced to the Senate, Drew Mreen, North Kansas City.

Senator Rupp introduced to the Senate, Sara Stubbert, St. Charles.

Senator Lamping introduced to the Senate, students from West Christian School, St. Louis County.

Senator Silvey introduced to the Senate, teachers and students from Nashua Elementary School, Kansas

City.

Senator Emery introduced to the Senate, Principal Jeff Kramer, Coaches Troy Schulte and Charles Plattner, and members of the Archie High School girls basketball team: Kara Fisher, Kaily Kurzweil, Stefani Simms, Mallory Wiskur, Leslie Iseman, Jordan Schulte, Tiffany Greenwood, Samantha Ogden, Taylor Plattner, Mary Kurzweil, Arely Guajardo, Mallory Lyons, Brooke Wiskur and Quincy Young.

Senator Cunningham introduced to the Senate, Kayla Merrill, Caden Merrill, Alea Merrill, Trinity Merrill, Elliot Merrill, Karla Ward, Jacob Collins, Terese Smoot, Jessica Smoot, Sarah Smoot, Hannah Smoot and Jessica Vaughn, Homeschoolers from Willow Springs.

Senator Curls introduced to the Senate, Melissa Stone, Columbia.

Senator Dempsey introduced to the Senate, Adriana Rhine, West Plains; and Johnathan “Jake” Pelikan, St. Charles.

Senator Nieves introduced to the Senate, the Physician of the Day, Dr. Ravi Johar, Chesterfield.

Senator Nieves introduced to the Senate, Ralph Haynes, New Haven.

Senators Nieves and Schmitt introduced to the Senate, Ann Dunn and nineteen students from Academy of St. Louis, Chesterfield.

Senator Schaefer introduced to the Senate, fourth grade students from Our Lady of the Lourdes Interparish School, Columbia; and Lauren Hervey, Caroline Neuner and Hannah Hulshof were made honorary pages.

On behalf of Senator Pearce, the President introduced to the Senate, Court Hyken, St. Louis County.

Senator Dixon introduced to the Senate, Gena Valente, Mt. Vernon.

Senator Chappelle-Nadal introduced to the Senate, Gabe Fleisher, St. Louis County.

Senator Chappelle-Nadal introduced to the Senate, Chris Givan, Hutchinson, Kansas.

Senator LeVota introduced to the Senate, Nathan Ellermier, Liberty; and Olivia Sandbothe, Des Moines, Iowa.

Senator Brown introduced to the Senate, Susie Johnson, Camden County.

Senator Kehoe introduced to the Senate, Brett Nardoni, St. Charles.

On behalf of Senator Pearce, the President introduced to the Senate, LuAnn Stillwell, Holly Jennings and seventh grade students: Nathan Sheehan, Jarrett Kreisel, Christopher Meloy, Colton Hartford, Hope Yersak, Audrey Gillum, Molly Shumard and Cassie Marks, Warrensburg Middle School.

Senator Justus introduced to the Senate, Alec Kelley, St. Charles.

Senator Justus introduced to the Senate, Rosie Thalhuber, Columbia.

Senator Walsh introduced to the Senate, Daphne Lew, Corey Linehan and students: Rory Johnson, Robert Hoop, Devan Miller, Paris Moore, Brittany Parks, William Strickland and Shannon Washington, Riverview Gardens High School.

On motion of Senator Richard, the Senate adjourned under the rules.

SENATE CALENDAR

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SIXTY-FOURTH DAY—WEDNESDAY, MAY 8, 2013

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FORMAL CALENDAR

VETOED BILLS

HCS for SCS for SB 182-Kehoe, et al

THIRD READING OF SENATE BILLS

SCS for SB 378-Pearce (In Fiscal Oversight)

SS for SCS for SB 210-Lamping

SENATE BILLS FOR PERFECTION

SB 375-Nieves, with SCS

SB 52-Munzlinger and Romine, with SCS

HOUSE BILLS ON THIRD READING

1. HCS for HB 473 (Lager) (In Fiscal Oversight)
2. HCS for HB 215, with SCS (Dixon)  
(In Fiscal Oversight)
3. HCS for HB 168 (Kraus) (In Fiscal Oversight)
4. HCS for HB 58 (Rupp)
5. HB 409-Love and Remole  
(In Fiscal Oversight)
6. HB 339-Wieland, et al (Dempsey)
7. HCS for HBs 593 & 695 (Schaaf)
8. HB 142-Dugger, with SCS (Walsh)

9. HCS for HB 17, with SCS (Schaefer)
10. HCS for HB 19, with SCS (Schaefer)
11. HB 18-Stream, with SCS (Schaefer)
12. HCS for HB 117, with SCS (Rupp)
13. HB 148-Davis, et al, with SCS
14. HB 103-Kelley (127), et al, with SCS  
(Munzlinger)
15. HB 428-Schatz, with SCS
16. HCS for HJRs 5 & 12, with SCS (Kraus)
17. HCS for HBs 48 & 216 (Kraus)

INFORMAL CALENDAR

THIRD READING OF SENATE BILLS

SCS for SB 411-Kehoe

SS for SCS for SB 437-Pearce

SENATE BILLS FOR PERFECTION

SB 3-Rupp, with SA 1 (pending)	SB 272-Nieves, with SA 2 (pending)
SB 13-Schaefer, with SCS	SB 285-Romine
SB 21-Dixon	SB 291-Rupp
SB 22-Dixon	SB 292-Rupp
SB 30-Brown, with SCS	SB 308-Schaaf
SB 48-Lamping	SB 315-Pearce
SB 53-Lamping	SB 325-Nieves
SB 61-Keaveny, with SCA 1 (pending)	SB 339-Romine
SB 65-Dixon, with SCS	SB 343-Parson
SB 78-Lamping, with SCS, SS for SCS & SA 1 (pending)	SB 364-Parson
SB 82-Schaefer, with SCS	SB 371-Munzlinger, with SCS
SB 109-Brown, with SCS	SB 377-Dixon
SB 133-Keaveny and Holsman, with SCS & SA 1 (pending)	SB 383-Wallingford
SB 141-Dempsey	SB 396-Holsman and Chappelle-Nadal, with SCS
SB 167-Sater and Wallingford, with SCS	SB 403-Rupp, with SCS
SB 174-Parson, with SCS	SB 410-Kehoe
SB 175-Wallingford	SB 419-Lager, with SCS
SB 207-Kehoe, et al, with SCS	SB 423-Nasheed
SB 231-Munzlinger, with SA 1 (pending)	SB 441-Dempsey
SB 239-Emery, with SCS & SA 2 (pending)	SB 448-Schmitt and Keaveny
SB 250-Schaaf, with SCS	SB 455-Nieves, with SCS
SB 259-Schaaf, with SCS	SJR 2-Lager

HOUSE BILLS ON THIRD READING

HB 53-Gatschenberger (Rupp)	HB 274-Brattin, et al, with SCS (Brown)
HB 55-Flanigan and Allen, with SCS (Schaefer)	HB 346-Molendorp (Wasson)
HB 112-Burlison, with SA 2 (pending) (Brown)	HCS for HBs 374 & 434, with SCS (Dixon)
HB 184-Cox, et al (Parson)	HCS for HBs 404 & 614, with SCS (Kehoe)
HCS for HB 194 (Parson)	HB 432-Funderburk, et al, with SCS & SA 1 (pending) (Lager)
HB 196-Lauer, et al, with SCS, SA 1 & point of order (pending) (Romine)	HCS for HB 457, with SCS (Rupp)
HCS for HB 199 (Lamping)	SS for SCS for HB 542 (Munzlinger) (In Fiscal Oversight)
SS for HB 253-Berry, et al (Schmitt) (In Fiscal Oversight)	

SENATE BILLS WITH HOUSE AMENDMENTS

SCS for SB 17-Munzlinger and Romine, with HCS, as amended	SS#2 for SCS for SBs 26, 11 & 31-Kraus, with HCS, as amended
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SCS for SB 36-Wallingford and Sifton,  
with HA 1  
SS for SCS for SB 116-Kraus, with HCS,  
as amended

SB 230-Brown, et al, with HA 1

### BILLS IN CONFERENCE AND BILLS CARRYING REQUEST MESSAGES

#### In Conference

SS#2 for SCS for SB 1-Rupp, with HCS,  
as amended  
SB 23-Parson, with HCS, as amended  
SS for SB 34-Cunningham, with HCS,  
as amended  
SCS for SB 106-Brown, with HA 1, HA 2,  
HA 3, HA 4, as amended & HA 5  
SCS for SB 117-Kraus, with HCS,  
as amended  
HCS for HB 1, with SCS (Schaefer)  
HCS for HB 2, with SCS (Schaefer)  
HCS for HB 3, with SCS (Schaefer)  
HCS for HB 4, with SCS (Schaefer)  
HCS for HB 5, with SCS (Schaefer)  
HCS for HB 6, with SCS, as amended  
(Schaefer)

HCS for HB 7, with SCS, as amended  
(Schaefer)  
HCS for HB 8, with SCS (Schaefer)  
HCS for HB 9, with SCS (Schaefer)  
HCS for HB 10, with SCS (Schaefer)  
HCS for HB 11, with SCS, as amended  
(Schaefer)  
HCS for HB 12, with SCS (Schaefer)  
HCS for HB 13, with SCS (Schaefer)  
HB 307-Riddle, et al, with SS for SCS,  
as amended (Schmitt)  
HCS#2 for HB 698, with SCS, as amended  
(Schmitt)  
HCS for HJRs 11 & 7, with SS, as amended  
(Parson)

#### Requests to Recede or Grant Conference

SCS for SB 157 & SB 102-Sater, with HCS,  
as amended  
(Senate requests House  
recede or grant conference)

SS for SB 262-Curls, with HCS, as amended  
(Senate requests House  
recede or grant conference)

### RESOLUTIONS

#### Reported from Committee

HCR 7-Pfautsch, et al (Richard)  
HCR 16-Walton Gray, et al  
(Chappelle-Nadal)  
HCR 25-Allen

HCR 28-Lynch, et al  
SCR 3-Walsh  
SCR 15-Romine

To be Referred

HCS for HCR 17

HCR 34-Houghton, et al

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