

# Journal of the Senate

SECOND REGULAR SESSION

THIRTY-EIGHTH DAY—MONDAY, MARCH 15, 2004

The Senate met pursuant to adjournment.

Senator Shields in the Chair.

Reverend Carl Gauck offered the following prayer:

“Blessed be God because he has not rejected my prayers or removed his steadfast love from me!” (Psalm 66:20)

Merciful God, we give You thanks for this day and Your willingness to listen to our prayers. Hear us now in Your steadfast love that our work may be pleasing to You and our lives reflect Your will for us. And Lord, we pray for Larry Jarrell during this difficult time. Touch him with Your healing power and comfort him and his family and grant them Your peace. 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 for Thursday, March 11, 2004, was read and approved.

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

Present—Senators

Bartle	Bland	Bray	Callahan
Caskey	Cauthorn	Champion	Childers
Clemens	Coleman	Days	Dolan
Dougherty	Foster	Gibbons	Goode

Griesheimer	Gross	Jacob	Kennedy
Kinder	Klindt	Loudon	Mathewson
Nodler	Quick	Russell	Scott
Shields	Steelman	Vogel	Wheeler
Yeckel—33			

Absent with leave—Senator Stoll—1

## RESOLUTIONS

Senator Yeckel offered Senate Resolution No. 1531, regarding Christa Moore, House Springs, which was adopted.

Senator Yeckel offered Senate Resolution No. 1532, regarding Lisa Battern, Ballwin, which was adopted.

Senator Yeckel offered Senate Resolution No. 1533, regarding Chalyn Elking, O’Fallon, which was adopted.

Senator Yeckel offered Senate Resolution No. 1534, regarding Melissa Geiler, Florissant, which was adopted.

Senator Russell offered Senate Resolution No. 1535, regarding Deborah Rich, Mountain View, which was adopted.

Senator Russell offered Senate Resolution No. 1536, regarding Lydia Morgan Whetstine, Cabool, which was adopted.

Senator Dougherty offered Senate Resolution No. 1537, regarding the St. Louis Regional Fair Housing Collaborative, which was adopted.

Senator Yeckel offered Senate Resolution No. 1538, regarding Amanda Lynn Vaeth, Ste. Genevieve, which was adopted.

Senator Yeckel offered Senate Resolution No. 1539, regarding Marie Louise Tate, St. Louis, which was adopted.

Senator Yeckel offered Senate Resolution No. 1540, regarding Amy Ward, Hazelwood, which was adopted.

Senator Yeckel offered Senate Resolution No. 1541, regarding Danielle M. Vishino, Ste. Genevieve, which was adopted.

Senator Bartle offered Senate Resolution No. 1542, regarding Connor McCambridge, Lake Winnebago, which was adopted.

Senator Bartle offered Senate Resolution No. 1543, regarding Joshua Michael “Josh” Eads, Lee’s Summit, which was adopted.

Senator Bartle offered Senate Resolution No. 1544, regarding Alex Kristofer Fetters, Lee’s Summit, which was adopted.

Senator Bartle offered Senate Resolution No. 1545, regarding Timothy David “Tim” Strack, Raymore, which was adopted.

Senator Bartle offered Senate Resolution No. 1546, regarding Alex Giddings, Lee’s Summit, which was adopted.

Senator Bartle offered Senate Resolution No. 1547, regarding Ben Duffin, Lee’s Summit, which was adopted.

Senator Bray offered Senate Resolution No. 1548, regarding Rose and Charles Klotzer, University City, which was adopted.

Senator Champion offered Senate Resolution No. 1549, regarding Kimberly White, Springfield, which was adopted.

Senator Champion offered Senate Resolution No. 1550, regarding Cherice Preiner, Springfield,

which was adopted.

Senator Champion offered Senate Resolution No. 1551, regarding Anna Codutti, Springfield, which was adopted.

Senator Champion offered Senate Resolution No. 1552, regarding Jim Murphy, Springfield, which was adopted.

Senator Champion offered Senate Resolution No. 1553, regarding Harold K. Bengsch, Springfield, which was adopted.

Senator Yeckel offered Senate Resolution No. 1554, regarding Sarah Clifton, Manchester, which was adopted.

Senator Yeckel offered Senate Resolution No. 1555, regarding Jim Keeling, which was adopted.

Senator Yeckel offered Senate Resolution No. 1556, regarding John Schmieg, which was adopted.

Senator Yeckel offered Senate Resolution No. 1557, regarding Paula Justus, which was adopted.

Senator Yeckel offered Senate Resolution No. 1558, regarding Barb Fuglsang, which was adopted.

Senator Yeckel offered Senate Resolution No. 1559, regarding Linda Hertlein Meierhoff, which was adopted.

Senator Yeckel offered Senate Resolution No. 1560, regarding Margie Schaugnessy, which was adopted.

Senator Yeckel offered Senate Resolution No. 1561, regarding Denise Dunn, which was adopted.

Senator Yeckel offered Senate Resolution No. 1562, regarding Mark Franke, which was adopted.

Senator Yeckel offered Senate Resolution No. 1563, regarding Betty Hale, which was adopted.

Senator Yeckel offered Senate Resolution No. 1564, regarding Mary Godefroid, which was adopted.

Senator Yeckel offered Senate Resolution No.

1565, regarding Linda Garland, which was adopted.

Senator Yeckel offered Senate Resolution No. 1566, regarding Amy Perkins, which was adopted.

Senator Yeckel offered Senate Resolution No. 1567, regarding Geraldine Pitti, which was adopted.

## REPORTS OF STANDING COMMITTEES

Senator Childers, Chairman of the Committee on Economic Development, Tourism and Local Government, submitted the following reports:

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1259**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1269**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1296**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1302**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1304**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1329**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1331**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1338**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1334**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Economic Development, Tourism and Local Government, to which was referred **SB 1391**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent

Calendar.

Senator Steelman, Chairman of the Committee on Commerce and the Environment, submitted the following reports:

Mr. President: Your Committee on Commerce and the Environment, to which was referred **SB 961**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Commerce and the Environment, to which was referred **SB 987**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Commerce and the Environment, to which was referred **SB 1155**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Commerce and the Environment, to which was referred **SB 901**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Commerce and the Environment, to which was referred **SB 1152**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Senator Foster, Chairman of the Committee on Education, submitted the following reports:

Mr. President: Your Committee on Education,

to which was referred **SB 1091**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Education, to which was referred **SB 1323**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Education, to which was referred **SB 941**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Senator Scott, Chairman of the Committee on Pensions and General Laws, submitted the following reports:

Mr. President: Your Committee on Pensions and General Laws, to which was referred **SB 1189**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Pensions and General Laws, to which was referred **SB 1242**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Senator Vogel, Chairman of the Committee on Ways and Means, submitted the following reports:

Mr. President: Your Committee on Ways and Means, to which was referred **SB 847**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Ways and Means, to which was referred **SB 1311**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Senator Bartle, Chairman of the Committee on the Judiciary and Civil and Criminal Jurisprudence, submitted the following reports:

Mr. President: Your Committee on the Judiciary and Civil and Criminal Jurisprudence, to which was referred **SB 1195**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on the Judiciary and Civil and Criminal Jurisprudence, to which was referred **SB 1066**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on the Judiciary and Civil and Criminal Jurisprudence, to which was referred **SB 1265**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on the Judiciary and Civil and Criminal Jurisprudence, to which was referred **SB 1211**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on the Judiciary and Civil and Criminal Jurisprudence, to which was referred **SB 1247**, begs leave to report

that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Senator Cauthorn, 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 **SS** for **SS** for **SB 718**; and **SCS** for **SBs 1020, 889 and 869**, begs leave to report that it has considered the same and recommends that the bills do pass.

Senator Gibbons, 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 were referred **SS** for **SS** for **SCS** for **SB 715**; and **SCS** for **SB 988**, begs leave to report that it has examined the same and finds that the bills have been truly perfected and that the printed copies furnished the Senators are correct.

On behalf of Senator Loudon, Chairman of the Committee on Small Business, Insurance and Industrial Relations, Senator Gibbons submitted the following reports:

Mr. President: Your Committee on Small Business, Insurance and Industrial Relations, to which was referred **SB 906**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Small Business, Insurance and Industrial Relations, to which was referred **SB 983**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

**MESSAGES FROM THE GOVERNOR**

The following messages were received from the Governor, reading of which was waived:

**OFFICE OF THE GOVERNOR**

State of Missouri

Jefferson City, Missouri

March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

David P. Ballenger, 305 Vieux Carre Court, Columbia, Boone County, Missouri 65203, as public member of the Peace Officer Standards and Training Commission, for a term ending October 3, 2005, and until his successor is duly appointed and qualified; vice, Kathy Fincham, term expired.

Respectfully submitted,

**BOB HOLDEN**

Governor

Also,

**OFFICE OF THE GOVERNOR**

State of Missouri

Jefferson City, Missouri

March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Ellen M. Burkemper, Ph.D., 260 Main Street, P.O. Box 209, Troy, Lincoln County, Missouri 63379, as a member of the State Committee for Social Workers, for a term ending October 2, 2005, and until her successor is duly appointed and qualified; vice, Paul Leverington, term expired.

Respectfully submitted,

**BOB HOLDEN**

Governor

Also,

**OFFICE OF THE GOVERNOR**

State of Missouri

Jefferson City, Missouri

March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Stephen C. Del Vecchio, 3036 Bernice Street, Cape Girardeau, Cape Girardeau County, Missouri 63701, as a member of the Missouri State Board of Accountancy, for a term ending July 1, 2007, and until his successor is duly appointed and qualified;

vice, Larry L. Gray, term expired.

Respectfully submitted,

**BOB HOLDEN**

Governor

Also,

**OFFICE OF THE GOVERNOR**

State of Missouri

Jefferson City, Missouri

March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Christy M. Fowler, 203 Holmes, Sikeston, Scott County, Missouri 63801, as a member of the State Board of Optometry, for a term ending June 20, 2008, and until her successor is duly appointed and qualified; vice, Karen Rosen, term expired.

Respectfully submitted,

**BOB HOLDEN**

Governor

Also,

**OFFICE OF THE GOVERNOR**

State of Missouri

Jefferson City, Missouri

March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Melissa DeLine Graham, 607 East Cypress Street, Charleston, Mississippi County, Missouri 63834, as a member of the Missouri State Board of Pharmacy, for a term ending March 11, 2009, and until her successor is duly appointed and qualified; vice, Barbara Dunning, term expired.

Respectfully submitted,

**BOB HOLDEN**

Governor

Also,

**OFFICE OF THE GOVERNOR**

State of Missouri

Jefferson City, Missouri

March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Jack Magruder, Ph.D., Democrat, 20675 Willis Way, Kirksville, Adair County, Missouri 63501, as a member of the State Fair Commission, for a term ending December 29, 2007, and until his successor is duly appointed and qualified; vice, Norwood

Creason, term expired.

Respectfully submitted,  
BOB HOLDEN  
Governor

Also,

OFFICE OF THE GOVERNOR  
State of Missouri  
Jefferson City, Missouri  
March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Marian "Munnie" Pacino, 821 N. Spoede Road, Creve Coeur, St. Louis County, Missouri 63141, as a member of the Missouri Board for Architects, Professional Engineers, Professional Land Surveyors, and Landscape Architects, for a term ending August 18, 2006, and until her successor is duly appointed and qualified; vice, Mary Bruntrager, term expired.

Respectfully submitted,  
BOB HOLDEN  
Governor

Also,

OFFICE OF THE GOVERNOR  
State of Missouri  
Jefferson City, Missouri  
March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Scott E. Ramshaw, Democrat, 6204 Treeridge Trail, St. Louis, St. Louis County, Missouri 63129, as a member of the Missouri Ethanol and Other Renewable Fuel Sources Commission, for a term ending March 25, 2005, and until his successor is duly appointed and qualified; vice, Brian Munzlinger, resigned.

Respectfully submitted,  
BOB HOLDEN  
Governor

Also,

OFFICE OF THE GOVERNOR  
State of Missouri  
Jefferson City, Missouri  
March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Lee A. Richardson, Jr., 11801 Troost Avenue, Kansas City,

Jackson County, Missouri 64131, as a member of the Missouri State Board of Chiropractic Examiners, for a term ending January 29, 2008, and until his successor is duly appointed and qualified; vice, reappointed to a full term.

Respectfully submitted,  
BOB HOLDEN  
Governor

Also,

OFFICE OF THE GOVERNOR  
State of Missouri  
Jefferson City, Missouri  
March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Cindy Lou Seyer, Republican, 3629 County Road 324, Jackson, Cape Girardeau County, Missouri 63755, as a member of the Missouri Board for Respiratory Care, for a term ending April 3, 2005, and until her successor is duly appointed and qualified; vice, Donald J. Miller, term expired.

Respectfully submitted,  
BOB HOLDEN  
Governor

Also,

OFFICE OF THE GOVERNOR  
State of Missouri  
Jefferson City, Missouri  
March 11, 2004

TO THE SENATE OF THE 92nd GENERAL ASSEMBLY OF THE STATE OF MISSOURI:

I have the honor to transmit to you herewith for your advice and consent the following appointment to office:

Randall C. Wright, Democrat, 3271 South Country Woods, Columbia, Boone County, Missouri 65203, as a member of the Tourism Commission, for a term ending January 15, 2007, and until his successor is duly appointed and qualified; vice, E. Gail McCann Beatty, term expired.

Respectfully submitted,  
BOB HOLDEN  
Governor

**HOUSE BILLS ON THIRD READING**

**HCS for HB 1182**, with **SCS**, was placed on the Informal Calendar.

**HB 969**, introduced by Representative Cooper, et al, entitled:

An Act to repeal section 143.431, RSMo, and to enact in lieu thereof two new sections relating to

Missouri taxable income of corporations.

Was taken up by Senator Bartle.

Senator Goode offered SA 1:

SENATE AMENDMENT NO. 1

Amend House Bill No. 969, Pages 1-2, Section 143.431, Lines 1-41, by striking said section from the bill; and

Further amend said bill, Pages 2 to 4, Section 143.435, Lines 1 to 72, by striking said section from the bill and inserting in lieu thereof the following:

**“143.434. 1. As used in this chapter, the following terms mean:**

(1) **“Affiliated group”, one or more chains of corporations that are connected through stock ownership with a common parent corporation that meet the following requirements:**

(a) **At least eighty percent of the stock of each of the corporations in the group, excluding the common parent corporation, is owned by one or more of the other corporations in the group; and**

(b) **The common parent directly owns at least eighty percent of the stock of at least one of the corporations in the group. “Affiliated group” does not include corporations that are qualified to do business but are not otherwise doing business in this state. For purposes of this section “stock” does not include nonvoting stock which is limited and preferred as to dividends;**

(2) **“Common ownership”, the direct or indirect control or ownership of more than fifty percent of the outstanding voting stock of:**

(a) **A parent-subsidiary controlled group as defined in Section 1563 of the United States Internal Revenue Code of 1986, as amended, except that the amount of fifty percent shall be substituted for all references of “80 percent” in such definition;**

(b) **A brother-sister controlled group as defined in Section 1563 of the United States**

**Internal Revenue Code of 1986, as amended, except that the amount of fifty percent shall be substituted for all references of “80 percent” in such definition; or**

(c) **Three or more corporations each of which is a member of a group of corporations described in subdivision (1) of this subsection, and one of which is:**

a. **A common parent corporation included in a group of corporations described in paragraph (a) of subdivision (1) of this subsection; and**

b. **Included in a group of corporations described in paragraph (b) of subdivision (1) of this subsection. Ownership of outstanding voting stock shall be determined in accordance with Section 1563 of the United States Internal Revenue Code of 1986, as amended;**

(3) **“Corporate return” or “return”, includes a combined report;**

(4) **“Doing business”, any transaction in the course of its business by a domestic corporation, or by a foreign corporation qualified to do or doing intrastate business in this state. Doing business includes:**

(a) **The right to do business through incorporation or qualification;**

(b) **The owning, renting, or leasing of real or personal property within this state; and**

(c) **The participation in joint ventures, working and operating agreements, the performance of which takes place in this state;**

(5) **“Foreign corporation”, a corporation that is not incorporated or organized pursuant to the laws of this state;**

(6) **“Foreign operating company”, a corporation that:**

(a) **Is incorporated in the United States; and**

(b) **Eighty percent or more of whose business activity is conducted without the United States.**



“Foreign operating company” does not include a corporation that qualifies for the Puerto Rico and Possession Tax Credit provided pursuant to Section 936 of the United States Internal Revenue Code of 1986, as amended;

(7) “Unitary group”, a group of corporations that:

(a) Are related through common ownership; and

(b) By a preponderance of the evidence as determined by a court of competent jurisdiction or the director, are economically interdependent with one another as demonstrated by the following factors:

- a. Centralized management;
- b. Functional integration; and
- c. Economies of scale;

(8) “Water's edge combined report”, a report combining the income and activities of:

(a) All members of a unitary group that are:

a. Corporations organized or incorporated in the United States, including those corporations qualifying for the Puerto Rico and Possession Tax Credit as provided in Section 936 of the United States Internal Revenue Code of 1986, as amended; and

b. Corporations organized or incorporated without the United States that meet the threshold level of business activity; and

(b) An affiliated group electing to file water's edge combined report pursuant to subdivision (1) of subsection 2 of this section.

2. (1) If any corporation is doing business in Missouri and is a member of a unitary group, the unitary group shall file a water's edge combined report. A group of corporations that are not otherwise a unitary group may elect to file a water's edge combined report if each member of the group is:

- (a) Doing business in Missouri;

(b) Part of the same affiliate group; and

(c) Qualified pursuant to Section 1501 of the United States Internal Revenue Code of 1986, as amended, to file a federal consolidated return.

(2) Each corporation within the affiliated group that is doing business in Missouri shall file a combined report. If an affiliated group elects to file a combined report, each corporation within the affiliated group that is doing business in Missouri shall file a combined report.

(3) A corporation that elects to file a water's edge combined report pursuant to this section shall not thereafter elect to file a separate return without the consent of the director.

3. If two or more corporations, whether or not organized or doing business in this state, and whether or not affiliated, are owned or controlled directly or indirectly by the same interests, the director shall be authorized to distribute, apportion, or allocate gross income or deductions between or among such corporations, if it determines that such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any such corporations.

4. The director shall, by rule, prescribe for adjustments to Missouri taxable income when, solely by reason of the enactment of this section, a taxpayer would otherwise receive or have received a double tax benefit or suffer or have suffered a double tax detriment. However, the director may not make any adjustment pursuant to this section which will result in an increase or decrease of tax liability that is less than twenty-five dollars.

5. A group filing a combined report shall calculate federal taxable income of the combined group by:

(1) Computing federal taxable income on a separate return basis;

(2) Combining income or loss of the members included in the combined report; and

(3) Making appropriate eliminations and adjustments between members included in the combined report.

For purposes of this subsection, if an entity does not calculate federal taxable income, then the federal taxable income shall be calculated based on the applicable federal tax laws.

6. For purposes of the apportionment provisions within section 32.200, RSMo, corporations filing a combined report shall not include intercompany sales or other transactions between the corporations included in the combined report when determining the sales factor. Intercompany rents between members of a combined report may not be considered in the computation of the property factor.

7. The director of revenue may prescribe such regulations not inconsistent with the provisions of this chapter as the director may deem necessary in order that the tax liability of any affiliated group of corporations making a Missouri consolidated income tax return, and of each corporation in the group, before, during, and after the period of affiliation, may be returned, determined, computed, assessed, collected, and adjusted, in such manner as clearly to reflect the Missouri taxable income derived from sources within the state and in order to prevent avoidance of such tax liability.

8. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, 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, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, 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 the effective date of this act, shall be invalid and void.”; and

Further amend the title and enacting clause accordingly.

Senator Goode moved that the above amendment be adopted.

At the request of Senator Bartle, **HB 969**, 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 895**—Economic Development, Tourism and Local Government.

**HB 923**—Financial and Governmental Organization, Veterans’ Affairs and Elections.

**HCS for HB 955**—Financial and Governmental Organization, Veterans’ Affairs and Elections.

**HB 960**—Transportation.

**HB 932**—Commerce and the Environment.

**HB 989**—Economic Development, Tourism and Local Government.

**HB 1070**—Education.

**HB 1071**—Economic Development, Tourism and Local Government.

**HB 1107**—Economic Development, Tourism and Local Government.

**HB 1126**—Commerce and the Environment.

**HB 1149**—Transportation.

**HCS for HB 1198**—Small Business, Insurance and Industrial Relations.

**HCS for HB 833**—Ways and Means.

**HB 938**—Financial and Governmental Organization, Veterans’ Affairs and Elections.

**HCS for HB 947**—Economic Development, Tourism and Local Government.

**HB 975**—Economic Development, Tourism and Local Government.

**HCS for HBs 998 and 905**—Pensions and General Laws.

**HB 1047**—Economic Development, Tourism and Local Government.

**HB 1275**—Economic Development, Tourism and Local Government.

**HCS for HB 1209**—Pensions and General Laws.

**HB 801**—Economic Development, Tourism and Local Government.

**HCS for HB 898**—Aging, Families, Mental and Public Health.

**HCS for HB 1014**—Appropriations.

#### REFERRALS

President Pro Tem Kinder referred **SB 1215**, with **SCS**; **SCS for SB 988**; and **SS for SS for SCS for SB 715** to the Committee on Governmental Accountability and Fiscal Oversight.

President Pro Tem Kinder referred the gubernatorial appointments appearing on Pages 637 and 638 to the Committee on Gubernatorial Appointments.

#### REPORTS OF STANDING COMMITTEES

Senator Yeckel, Chairman of the Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, submitted the following reports:

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 842**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 1320**, begs leave to report that it has considered the same

and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 1322**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 972**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 1336**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 1287**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Also,

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 1365**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

Senator Dolan, Chairman of the Committee on

Transportation, submitted the following report:

Mr. President: Your Committee on Transportation, to which was referred **SB 1285**, begs leave to report that it has considered the same and recommends that the bill do pass and be placed on the Consent Calendar.

Senator Yeckel, Chairman of the Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, submitted the following report:

Mr. President: Your Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, to which was referred **SB 1139**, begs leave to report that it has considered the same and recommends that the Senate Committee Substitute, hereto attached, do pass and be placed on the Consent Calendar.

#### 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 House has taken up and passed **HS for HCS for HB 1304**, entitled:

An Act to repeal sections 355.176, 408.040, 490.715, 508.010, 508.040, 508.070, 508.120, 510.263, 537.035, 537.067, 538.205, 538.210, 538.220, and 538.225, RSMo, and to enact in lieu thereof fifteen new sections relating to claims for damages and the payment thereof.

In which the concurrence of the Senate is respectfully requested.

Read 1st time.

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 HB 1215**, entitled:

An Act to repeal section 575.195, RSMo, and to enact in lieu thereof one new section relating to escape from commitment, with a penalty provision

and an emergency clause.

Emergency clause adopted.

In which the concurrence of the Senate is respectfully requested.

Read 1st time.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HS for HCS for HB 852**, entitled:

An Act to amend chapter 191, RSMo, by adding thereto one new section relating to administration of immunizations with mercury preservatives.

In which the concurrence of the Senate is respectfully requested.

Read 1st time.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HB 1183**, entitled:

An Act to repeal sections 50.550 and 559.021, RSMo, and to enact in lieu thereof four new sections relating to county law enforcement restitution funds.

In which the concurrence of the Senate is respectfully requested.

Read 1st time.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HS for HCS for HB 1290**, entitled:

An Act to amend chapter 143, RSMo, by adding thereto one new section relating to contributions to certain nonprofit organizations with a health-related mission.

In which the concurrence of the Senate is respectfully requested.

Read 1st time.

**COMMUNICATIONS**

Senator Dolan submitted the following:

March 15, 2004  
Terry L. Spieler  
Secretary of the Senate  
Room 325 Capitol Building  
Jefferson City, MO 65101

Dear Terry:

In keeping with Rule 45 of the Rules of the Senate, I wish to state my opposition to Senate Bill 1139. I do not feel Senate Bill 1139 is

a consent issue and therefore should be referred back to the committee.

Thank you for your assistance.

Respectfully,  
/s/ Jon  
Jon Dolan

**INTRODUCTIONS OF GUESTS**

Senator Scott introduced to the Senate, former State Representative T. Mark Elliott, Webb City.

On motion of Senator Gibbons, the Senate adjourned under the rules.

SENATE CALENDAR  
**Unofficial**  
THIRTY-NINTH DAY—TUESDAY, MARCH 16, 2004

FORMAL CALENDAR

HOUSE BILLS ON SECOND READING

HS for HCS for HB 1304-Byrd  
HCS for HB 1215  
HS for HCS for HB 852-Holand

HB 1183-Mayer, et al  
HS for HCS for HB 1290-Portwood

THIRD READING OF SENATE BILLS

SS for SS for SB 718-Yeckel, et al  
SCS for SBs 1020, 889 & 869-Steelman, et al

SS for SS for SCS for SB 715-Childers  
and Caskey (In Fiscal Oversight)  
SCS for SB 988-Steelman (In Fiscal Oversight)

SENATE BILLS FOR PERFECTION

SB 1232-Clemens, et al, with SCS  
SB 1081-Kinder, et al, with SCS  
SB 1141-Loudon, with SCS

SB 960-Gibbons, with SCS  
SBs 1233, 840 & 1043-Dolan, with SCS  
SB 710-Goode and Bray, with SCS

SB 1220-Caskey, with SCS  
 SBs 738 & 790-Loudon, with SCS  
 SB 1371-Kinder, et al, with SCS  
 SB 1234-Mathewson and Childers, with SCS  
 SJR 40-Stoll  
 SB 817-Kennedy and Griesheimer, with SCS

SB 1124-Goode and Steelman, with SCS  
 SB 1128-Cauthorn, with SCS  
 SJR 24-Caskey and Bartle, with SCS  
 SB 1370-Nodler  
 SJR 41-Kinder, et al, with SCS

## INFORMAL CALENDAR

### THIRD READING OF SENATE BILLS

SB 1123-Gibbons, et al

## Unofficial SENATE BILLS FOR PERFECTION

SB 755-Shields, with SCS  
 SB 809-Klindt, with SCS (pending)  
 SB 856-Loudon, with SCS  
 SB 933-Yeckel, et al  
 SB 989-Gross, et al, with SCS (pending)  
 SB 990-Loudon, with SCS

SBs 1069, 1068, 1025, 1005 & 1089-Gross and  
 Griesheimer, with SCS  
 SB 1122-Shields, with SCS & SS for SCS (pending)  
 SB 1138-Bartle  
 SB 1180-Shields and Kinder, with SCS

## Journal

### HOUSE BILLS ON THIRD READING

HB 969-Cooper, et al, with SA 1 (pending)  
 (Bartle)

HCS for HB 1182, with SCS (Klindt)

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### CONSENT CALENDAR

Senate Bills

Reported 2/9

SB 741-Klindt  
 SB 1093-Gibbons and Yeckel, with SCS

SB 799-Steelman, with SCS

Reported 2/23

SB 1044-Shields, with SCS  
SB 1007-Goode, et al  
SB 962-Clemens, with SCS  
SB 992-Cauthorn, with SCS  
SB 1177-Klindt, with SCS  
SB 900-Goode, with SCA 1  
SB 945-Gibbons, with SCS  
SB 1087-Days, et al  
SB 1086-Cauthorn  
SB 1078-Loudon, with SCS  
SB 883-Klindt

SB 966-Shields  
SB 757-Shields, with SCS  
SB 771-Bray, with SCS  
SB 772-Bray and Griesheimer  
SB 788-Childers, with SCS  
SB 845-Yeckel, with SCS  
SB 894-Goode  
SB 899-Goode  
SB 956-Scott, with SCS  
SB 1225-Dougherty, et al, with SCS  
SB 1114-Loudon

Unofficial

Reported 3/1

SB 762-Champion, with SCS#2  
SB 1212-Wheeler and Russell, with SCS  
SB 1243-Wheeler  
SB 1253-Mathewson, et al, with SCS  
SBs 1085 & 800-Foster, et al, with SCS  
SB 884-Klindt

SB 768-Nodler  
SB 1111-Klindt  
SB 1064-Scott and Clemens  
SB 974-Dougherty, with SCS  
SB 1130-Scott  
SB 1055-Bartle and Wheeler

Journal

Reported 3/8

SB 1240-Griesheimer, with SCS  
SB 1249-Champion  
SB 824-Griesheimer  
SB 1112-Clemens  
SB 1257-Days and Foster  
SB 1133-Foster, et al  
SB 1188-Loudon, with SCS  
SB 1181-Yeckel, with SCS  
SB 1250-Scott, with SCS  
SB 1084-Foster, with SCS

SB 1165-Russell  
SB 1274-Shields  
SB 1047-Kennedy  
SB 1083-Kennedy and Dougherty  
SB 1262-Dolan, with SCS  
SB 1299-Loudon  
SB 1215-Griesheimer, with SCS  
(In Fiscal Oversight)  
SB 1235-Loudon, with SCS

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Reported 3/15

SB 1259-Childers  
SB 1269-Yeckel, with SCS

SB 1296-Callahan  
SB 1302-Champion

SB 1304-Griesheimer and Gibbons, with SCS  
 SB 1329-Griesheimer  
 SB 1331-Gibbons, with SCS  
 SB 1338-Callahan  
 SB 1334-Dougherty  
 SB 1391-Foster  
 SB 961-Champion, with SCS  
 SB 987-Quick, with SCS  
 SB 1155-Cauthorn, with SCS  
 SB 901-Goode, with SCS  
 SB 1152-Steelman, with SCS  
 SB 1091-Klindt, with SCS  
 SB 1323-Shields  
 SB 941-Coleman, with SCS  
 SB 1189-Scott, with SCS  
 SB 1242-Wheeler  
 SB 847-Bland

SB 1311-Wheeler  
 SB 1195-Klindt, with SCS  
 SB 1066-Steelman, with SCS  
 SB 1265-Bartle, with SCS  
 SB 1211-Wheeler  
 SB 1247-Dougherty and Kennedy, with SCS  
 SB 906-Foster, with SCS  
 SB 983-Quick, with SCS  
 SB 842-Childers  
 SB 1320-Kinder  
 SB 1322-Mathewson  
 SB 972-Stoll, with SCS  
 SB 1336-Kennedy and Dougherty, with SCS  
 SB 1287-Griesheimer, with SCS  
 SB 1365-Yeckel, et al, with SCS  
 SB 1285-Wheeler

#### RESOLUTIONS

Reported from Committee

SCR 36-Gibbons and Dougherty, with SCS

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