Journal of the Senate

FIRST REGULAR SESSION

FORTY-NINTH DAY—WEDNESDAY, APRIL 8, 2009

The Senate met pursuant to adjournment.

President Kinder in the Chair.

Reverend Carl Gauck offered the following prayer:

"Love more persons more–love them more impersonally, more unselfishly, without thought of return. The return, never fear, will take care of itself." (*Henry Drummond)*

Lord God, we live in a society of "quid pro quo" and it is true that our system of working and relating to one another seems to work best in this system. But we pray Lord that we might learn another way that You have taught us that in giving of ourselves freely we are much more blessed than we could imagine. Help us to be more loving in this way O Lord now and forever. 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.

Senator Engler announced that photographers from KRCG-TV were given permission to take pictures in the Senate Chamber today.

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

Present—Senators

Barnitz	Bartle	Bray	Callahan	Champion	Clemens	Crowell	Cunningham
Days	Dempsey	Engler	Goodman	Green	Griesheimer	Justus	Lager
Lembke	Mayer	McKenna	Nodler	Pearce	Purgason	Ridgeway	Rupp
Schaefer	Schmitt	Scott	Shields	Shoemyer	Smith	Stouffer	Vogel
Wilson	Wright-Jones—34						

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The Lieutenant Governor was present.

RESOLUTIONS

Senator Engler offered Senate Resolution No. 778, regarding Oralee W. Brady, Bismarck, which was adopted.

CONCURRENT RESOLUTIONS

Senator Wilson offered the following concurrent resolution:

SENATE CONCURRENT RESOLUTION NO. 26

WHEREAS, it is well established that the most effective strategy for preventing influenza is annual vaccination against the illness; and

WHEREAS, beginning with the 2008-2009 flu season, annual vaccination of all children aged six months to 18 years is recommended by the Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP), as well as the American Academy of Pediatrics (AAP); and

WHEREAS, annual vaccination of all children aged six months through 18 years should begin as soon as a vaccine is available in the 2008-2009 flu season, but should be initiated no later than the 2009-2010 season; and

WHEREAS, strategies that focus on providing routine vaccination to persons at higher risk for flu complications have long been recommended, although rates of flu vaccination among the majority of these groups remains low; and

WHEREAS, although the flu is the most frequent cause of death for a vaccine-preventable disease in the United States, there were 87 reported pediatric deaths in this country caused by the flu during the 2007-2008 flu season, and it is responsible for an average of 200,000 hospitalizations each year and an estimated 36,000 deaths, primarily in the elderly; and

WHEREAS, according to the AAP, the ACIP's expanded recommendations target all school-age children, the population that bears the greatest burden of disease and is at higher risk of needing flu-related medical care compared with healthy adults, and the AAP states that reducing flu transmission among school-age children will in turn reduce transmission of the flu to household contacts and community members; and

WHEREAS, flu vaccine should be offered to all children as soon as a vaccine becomes available before the start of the season and should continue into March and beyond, as there is often more than one peak in flu illness during the same season, so the AAP states that vaccination through May 1 can provide protection and widen the window of opportunity for children who need two doses of vaccine to receive it; and

WHEREAS, school-based vaccination is an efficient venue for the mass vaccination of school-age children against the flu, and school-based vaccination programs benefit the communities in which they are conducted by helping reduce transmission of the flu to other members of the community; and

WHEREAS, the potential threat of a flu pandemic underscores the benefit of building out local infrastructure and strengthening community partnerships as a preventive measure to address both seasonal flu and the event of pandemic:

NOW THEREFORE BE IT RESOLVED that the members of the Missouri Senate, Ninety-fifth General Assembly, First Regular Session, the House of Representatives concurring therein, hereby recognize and declare that extending the flu vaccination season both earlier and later may help vaccinate, and therefore protect, children, adults and especially those in high risk groups, and it is important during this flu season that all Missourians are protected against this dangerous and potentially deadly disease; and

BE IT FURTHER RESOLVED that the Secretary of the Missouri Senate be instructed to send properly inscribed copies of this resolution to the Department of Health and Senior Services and the Department of Elementary and Secondary Education.

SENATE BILLS FOR PERFECTION

Senator Dempsey moved that **SB 572** be taken up for perfection, which motion prevailed.

Senator Pearce assumed the Chair.

At the request of Senator Dempsey, **SB 572** was placed on the Informal Calendar.

Senator Griesheimer moved that **SB 123**, with **SCS**, be taken up for perfection, which motion prevailed.

SCS for **SB 123**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 123

An Act to repeal sections 52.290, 52.312, and 54.010, RSMo, and to enact in lieu thereof three new sections relating to county collectors.

Was taken up.

Senator Griesheimer moved that **SCS** for **SB 123** be adopted.

Senator McKenna offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for Senate Bill No. 123, Page 1, Section 52.290, Line 11, by inserting after all of said line the following: "**Notwithstanding provisions of law to the contrary, an authorization for collection of a fee for the collection of delinquent and back taxes in a county's charter, at a rate different than the rate allowed by law, shall control.**".

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

Senator Engler assumed the Chair.

Senator Griesheimer moved that **SCS** for **SB 123**, as amended, be adopted, which motion prevailed.

On motion of Senator Griesheimer, **SCS** for **SB 123**, as amended, was declared perfected and ordered printed.

Senator Schmitt moved that **SB 549**, with **SCS**, be taken up for perfection, which motion prevailed.

SCS for **SB 549**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 549

An Act to amend chapter 208, RSMo, by adding thereto one new section relating to MO HealthNet data transparency.

Was taken up.

Senator Schmitt moved that **SCS** for **SB 549** be adopted.

Senator Shoemyer offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for Senate Bill No. 549, Page 3, Section 208.192, Line 58, by inserting after all of said line the following:

"208.955. 1. There is hereby established in the department of social services the "MO HealthNet Oversight Committee", which shall be appointed by January 1, 2008, and shall consist of **[**eighteen**]** **twenty-nine** members as follows:

(1) Two members of the house of representatives, one from each party, appointed by the speaker of the house of representatives and the minority floor leader of the house of representatives;

(2) Two members of the Senate, one from each party, appointed by the president pro tem of the senate and the minority floor leader of the senate;

(3) One consumer representative;

(4) **[**Two primary care**] Four** physicians, **two each from rural and urban areas,** licensed under chapter 334, RSMo, **[**recommended by any Missouri organization or association that represents a significant number of physicians licensed in this state**] board certified in their specialty**, who care for participants, not from the same geographic area;

(5) **[**Two physicians, licensed under chapter 334, RSMo, who care for participants but who are not primary care physicians and are not from the same geographic area, recommended by any Missouri organization or association that represents a significant number of physicians licensed in this state;

(6)**] One optometrist, licensed under chapter 336, RSMo, who cares for participants;**

(6) One nurse, licensed or registered under chapter 335, RSMo, who cares for participants;

(7) One mental health professional who cares for participants. The mental health professional shall be either a psychologist, professional counselor, or social worker licensed under chapter 337, RSMo;

(8) One representative from a rural health clinic;

(9) One representative of a not-for-profit health network serving rural counties and providing both patient-based and provider member services;

(10) One representative of the long-term care facilities licensed in this state;

(11) One representative of the state hospital association;

[(7)**] (12)** One nonphysician health care professional who cares for participants, recommended by the director of the department of insurance, financial institutions and professional registration;

[(8)**] (13)** One dentist, who cares for participants**[**. The dentist shall be recommended by any Missouri organization or association that represents a significant number of dentists licensed in this state**]**;

[(9) Two**] (14) Three** patient advocates**, with one advocate representing children, one the disabled, and one the elderly community**;

(15) One member representing a federally qualified health center;

(16) One representative from the durable medical equipment industry, who owns or manages a durable medical equipment company operating in Missouri for at least three years, with multiple lines of products and services for participants. The representative shall be in good standing with the federal Medicare program and the MO HealthNet program;

(17) One physical therapist, licensed under chapter 334, RSMo, who cares for participants;

(18) One member representing a managed care organization under the MO HealthNet program, as defined in section 208.431;

[(10)**] (19)** One public member; and

[(11)**] (20)** The directors of the department of social services, the department of mental health, the department of health and senior services, or the respective directors' designees, who shall serve as ex-officio members of the committee.

2. The members of the oversight committee, other than the members from the general assembly and

ex-officio members, shall be appointed by the governor with the advice and consent of the senate. A chair of the oversight committee shall be selected by the members of the oversight committee. Of the members first appointed to the oversight committee by the governor, eight members shall serve a term of two years, seven members shall serve a term of one year, and thereafter, members shall serve a term of two years. Members shall continue to serve until their successor is duly appointed and qualified. Any vacancy on the oversight committee shall be filled in the same manner as the original appointment. Members shall serve on the oversight committee without compensation but may be reimbursed for their actual and necessary expenses from moneys appropriated to the department of social services for that purpose. The department of social services shall provide technical, actuarial, and administrative support services as required by the oversight committee. The oversight committee shall:

(1) Meet on at least four occasions annually, including at least four before the end of December of the first year the committee is established. Meetings can be held by telephone or video conference at the discretion of the committee;

(2) Review the participant and provider satisfaction reports and the reports of health outcomes, social and behavioral outcomes, use of evidence-based medicine and best practices as required of the health improvement plans and the department of social services under section 208.950;

(3) Review the results from other states of the relative success or failure of various models of health delivery attempted;

(4) Review the results of studies comparing health plans conducted under section 208.950;

(5) Review the data from health risk assessments collected and reported under section 208.950;

(6) Review the results of the public process input collected under section 208.950;

(7) Advise and approve proposed design and implementation proposals for new health improvement plans submitted by the department, as well as make recommendations and suggest modifications when necessary;

(8) Determine how best to analyze and present the data reviewed under section 208.950 so that the health outcomes, participant and provider satisfaction, results from other states, health plan comparisons, financial impact of the various health improvement plans and models of care, study of provider access, and results of public input can be used by consumers, health care providers, and public officials;

(9) Present significant findings of the analysis required in subdivision (8) of this subsection in a report to the general assembly and governor, at least annually, beginning January 1, 2009;

(10) Review the budget forecast issued by the legislative budget office, and the report required under subsection (22) of subsection 1 of section 208.151, and after study:

(a) Consider ways to maximize the federal drawdown of funds;

(b) Study the demographics of the state and of the MO HealthNet population, and how those demographics are changing;

(c) Consider what steps are needed to prepare for the increasing numbers of participants as a result of the baby boom following World War II;

(11) Conduct a study to determine whether an office of inspector general shall be established. Such office would be responsible for oversight, auditing, investigation, and performance review to provide

increased accountability, integrity, and oversight of state medical assistance programs, to assist in improving agency and program operations, and to deter and identify fraud, abuse, and illegal acts. The committee shall review the experience of all states that have created a similar office to determine the impact of creating a similar office in this state; and

(12) Perform other tasks as necessary, including but not limited to making recommendations to the division concerning the promulgation of rules and emergency rules so that quality of care, provider availability, and participant satisfaction can be assured.

3. By July 1, 2011, the oversight committee shall issue findings to the general assembly on the success and failure of health improvement plans and shall recommend whether or not any health improvement plans should be discontinued.

4. The oversight committee shall designate a subcommittee devoted to advising the department on the development of a comprehensive entry point system for long-term care that shall:

(1) Offer Missourians an array of choices including community-based, in-home, residential and institutional services;

(2) Provide information and assistance about the array of long-term care services to Missourians;

(3) Create a delivery system that is easy to understand and access through multiple points, which shall include but shall not be limited to providers of services;

(4) Create a delivery system that is efficient, reduces duplication, and streamlines access to multiple funding sources and programs;

(5) Strengthen the long-term care quality assurance and quality improvement system;

(6) Establish a long-term care system that seeks to achieve timely access to and payment for care, foster quality and excellence in service delivery, and promote innovative and cost-effective strategies; and

(7) Study one-stop shopping for seniors as established in section 208.612.

5. The subcommittee shall include the following members:

(1) The lieutenant governor or his or her designee, who shall serve as the subcommittee chair;

(2) One member from a Missouri area agency on aging, designated by the governor;

(3) One member representing the in-home care profession, designated by the governor;

(4) One member representing residential care facilities, predominantly serving MO HealthNet participants, designated by the governor;

(5) One member representing assisted living facilities or continuing care retirement communities, predominantly serving MO HealthNet participants, designated by the governor;

(6) One member representing skilled nursing facilities, predominantly serving MO HealthNet participants, designated by the governor;

(7) One member from the office of the state ombudsman for long-term care facility residents, designated by the governor;

(8) One member representing Missouri centers for independent living, designated by the governor;

(9) One consumer representative with expertise in services for seniors or the disabled, designated by the governor;

(10) One member with expertise in Alzheimer's disease or related dementia;

(11) One member from a county developmental disability board, designated by the governor;

(12) One member representing the hospice care profession, designated by the governor;

(13) One member representing the home health care profession, designated by the governor;

(14) One member representing the adult day care profession, designated by the governor;

(15) One member gerontologist, designated by the governor;

(16) Two members representing the aged, blind, and disabled population, not of the same geographic area or demographic group designated by the governor;

(17) The directors of the departments of social services, mental health, and health and senior services, or their designees; and

(18) One member of the house of representatives and one member of the senate serving on the oversight committee, designated by the oversight committee chair.

Members shall serve on the subcommittee without compensation but may be reimbursed for their actual and necessary expenses from moneys appropriated to the department of health and senior services for that purpose. The department of health and senior services shall provide technical and administrative support services as required by the committee.

6. By October 1, 2008, the comprehensive entry point system subcommittee shall submit its report to the governor and general assembly containing recommendations for the implementation of the comprehensive entry point system, offering suggested legislative or administrative proposals deemed necessary by the subcommittee to minimize conflict of interests for successful implementation of the system. Such report shall contain, but not be limited to, recommendations for implementation of the following consistent with the provisions of section 208.950:

(1) A complete statewide universal information and assistance system that is integrated into the web-based electronic patient health record that can be accessible by phone, in-person, via MO HealthNet providers and via the Internet that connects consumers to services or providers and is used to establish consumers' needs for services. Through the system, consumers shall be able to independently choose from a full range of home, community-based, and facility-based health and social services as well as access appropriate services to meet individual needs and preferences from the provider of the consumer's choice;

(2) A mechanism for developing a plan of service or care via the web-based electronic patient health record to authorize appropriate services;

(3) A preadmission screening mechanism for MO HealthNet participants for nursing home care;

(4) A case management or care coordination system to be available as needed; and

(5) An electronic system or database to coordinate and monitor the services provided which are integrated into the web-based electronic patient health record.

7. Starting July 1, 2009, and for three years thereafter, the subcommittee shall provide to the governor, lieutenant governor and the general assembly a yearly report that provides an update on progress made by

the subcommittee toward implementing the comprehensive entry point system.

8. The provisions of section 23.253, RSMo, shall not apply to sections 208.950 to 208.955."; and

Further amend the title and enacting clause accordingly.

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

Senator Pearce assumed the Chair.

Senator Stouffer offered **SA 2**:

SENATE AMENDMENT NO. 2

Amend Senate Committee Substitute for Senate Bill No. 549, Page 1, Section A, Line 2, by inserting immediately after said line the following:

"**191.1127. 1. The MO HealthNet program and the health care for uninsured children program under sections 208.631 to 208.659, RSMo, in consultation with statewide organizations focused on premature infant health care, shall:**

(1) Examine and improve hospital discharge and follow-up care procedures for premature infants born earlier than thirty-seven weeks gestational age to ensure standardized and coordinated processes are followed as premature infants leave the hospital from either a well-baby nursery, step down or transitional nursery, or neonatal intensive care unit and transition to follow-up care by a health care provider in the community;

(2) Urge hospitals serving infants eligible for medical assistance under the MO HealthNet and health care for uninsured children programs to report to the state the causes and incidence of all re-hospitalizations of infants born premature at earlier than thirty-seven weeks gestational age within their first six months of life; and

(3) Use guidance from the Centers for Medicare and Medicaid Services' Neonatal Outcomes Improvement Project to implement programs to improve newborn outcomes, reduce newborn health costs, and establish ongoing quality improvement for newborns.

191.1130. 1. The department of health and senior services shall, by December 31, 2009, prepare written educational publications containing information about the possible complications, proper care and support associated with newborn infants who are born premature at earlier than thirty-seven weeks gestational age. The written information, at a minimum, shall include the following:

(1) The unique health issues affecting infants born premature, such as:

(a) Increased risk of developmental problems;

(b) Nutritional challenges;

(c) Infection;

(d) Chronic lung disease (bronchopulmonary dysplasia);

(e) Vision and hearing impairment;

(d) Breathing problems;

(f) Fine motor skills;

(g) Feeding;

(h) Maintaining body temperature;

(i) Jaundice;

(j) Hyperactivity;

(k) Infant mortality as well as long-term complications associated with growth and nutrition;

(l) Respiratory; and

(m) Reading, writing, mathematics, and speaking;

(2) The proper care needs of premature infants, developmental screenings and monitoring and health care services available to premature infants through the MO HealthNet program and other public or private health programs;

(3) Methods, vaccines, and other preventative measures to protect premature infants from infectious diseases, including viral respiratory infections;

(4) The emotional and financial burdens and other challenges that parents and family members of premature infants experience and information about community resources available to support them.

2. The publications shall be written in clear language to educate parents of premature infants across a variety of socioeconomic statuses. The department may consult with community organizations that focus on premature infants or pediatric health care. The department shall update the publications every two years.

3. The department shall distribute these publications to children's health providers, maternal care providers, hospitals, public health departments, and medical organizations and encourage those organizations to provide the publications to parents or guardians of premature infants."; and

Further amend the title and enacting clause accordingly.

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

Senator Schmitt moved that **SCS** for **SB 549**, as amended, be adopted, which motion prevailed.

On motion of Senator Schmitt, **SCS** for **SB 549**, as amended, was declared perfected and ordered printed.

Senator Champion moved that **SB 538**, with **SCS**, be taken up for perfection, which motion prevailed.

SCS for **SB 538**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 538

An Act to amend chapter 208, RSMo, by adding thereto one new section relating to the personal needs allowance for residents in long-term care facilities.

Was taken up.

Senator Champion moved that **SCS** for **SB 538** be adopted, which motion prevailed.

On motion of Senator Champion, **SCS** for **SB 538** was declared perfected and ordered printed.

REPORTS OF STANDING COMMITTEES

Senator Engler, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, submitted the following report:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **SCS** for **SB 123**, begs leave to report that it has examined the same and finds that the bill has been truly perfected and that the printed copies furnished the Senators are correct.

Senator Purgason, Chairman of the Committee on Governmental Accountability and Fiscal Oversight, submitted the following report:

Mr. President: Your Committee on Governmental Accountability and Fiscal Oversight, to which was referred **HCS** for **HB 191**, with **SCS**, begs leave to report that it has considered the same and recommends that the bill do pass.

SENATE BILLS FOR PERFECTION

Senator Stouffer moved that **SB 71**, with **SCS**, be taken up for perfection, which motion prevailed.

SCS for **SB 71**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 71

An Act to amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for contributions made to developmental disability care providers.

Was taken up.

Senator Stouffer moved that **SCS** for **SB 71** be adopted, which motion prevailed.

On motion of Senator Stouffer, **SCS** for **SB 71** was declared perfected and ordered printed.

MESSAGES FROM THE HOUSE

The following message was 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 **HCS** for **HJR 10**, entitled:

Joint Resolution submitting to the qualified voters of Missouri an amendment repealing sections 25(a), 25(d), and 25(e), of article V of the Constitution of Missouri, and adopting three new sections in lieu thereof relating to the appellate judicial commission.

In which the concurrence of the Senate is respectfully requested.

Read 1st time.

HOUSE BILLS ON SECOND READING

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

HCS for **HB 205**—Commerce, Consumer Protection, Energy and the Environment.

HB 116—Judiciary and Civil and Criminal Jurisprudence.

HCS for **HB 381**—Ways and Means.

HCS for **HB 622**—Judiciary and Civil and Criminal Jurisprudence.

HB 922—Education.

HB 652—General Laws.

HCS for **HB 481**—Jobs, Economic Development and Local Government.

HCS for **HB 681**—Financial and Governmental Organizations and Elections.

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

RECESS

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

RESOLUTIONS

Senator Purgason offered Senate Resolution No. 779, regarding Jasmine Freitas, Raymondville, which was adopted.

Senator Purgason offered Senate Resolution No. 780, regarding Bailey Wildhaber, Raymondville, which was adopted.

Senator Engler offered Senate Resolution No. 781, regarding the Missouri Cement Committee, which was adopted.

Senator Crowell offered Senate Resolution No. 782, regarding Mia Jane Roe, Cape Girardeau, which was adopted.

Senator Vogel offered Senate Resolution No. 783, regarding Colonel Rad Talburt, Jefferson City, which was adopted.

Senator Nodler offered Senate Resolution No. 784, regarding the Ninetieth Anniversary of the Joplin High School Junior Reserve Officers Training Corps (JROTC), which was adopted.

HOUSE BILLS ON THIRD READING

HCS for **HB 191**, with **SCS**, entitled:

An Act to repeal sections 99.1090, 135.155, 135.680, 135.903, 620.495, 620.1039, 620.1878, and 620.1881, RSMo, and to enact in lieu thereof fourteen new sections relating to job development, with an emergency clause.

Was taken up by Senator Griesheimer.

SCS for **HCS** for **HB 191**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 191

An Act to repeal sections 100.760, 100.770, 100.850, 135.155, 135.680, 135.800, 135.802, 135.805, 253.550, 620.014, 620.017, 620.472, 620.495, 620.1039, 620.1878, and 620.1881, RSMo, and to enact in lieu thereof twenty-five new sections relating to tax incentives for business development, with an emergency clause and an expiration date for a certain section.

Was taken up.

Senator Griesheimer moved that **SCS** for **HCS** for **HB 191** be adopted.

Senator Lager offered **SS** for **SCS** for **HCS** for **HB 191**, entitled:

SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 191

An Act to repeal sections 32.105, 32.110, 32.111, 32.112, 32.115, 99.820, 99.865, 99.960, 99.1205, 100.286, 100.297, 100.760, 100.770, 100.850, 105.145, 135.090, 135.305, 135.327, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.800, 135.802, 135.805, 135.967, 208.770, 238.207, 238.212, 238.235, 253.550, 320.093, 348.430, 348.432, 348.434, 348.505, 447.708, 620.014, 620.017, 620.470, 620.472, 620.478, 620.495, 620.1039, 620.1878, 620.1881, and 660.055, RSMo, and to enact in lieu thereof sixty-five new sections relating to taxation, with penalty provisions and an emergency clause and an expiration date for a certain section.

Senator Lager moved that **SS** for **SCS** for **HCS** for **HB 191** be adopted.

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

SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 250, Section 620.1881, Line 21, by striking the words "For high impact"; and

Further amend said bill, section and page, lines 22-23, by striking all of said lines; and

Further amend said bill, section and page, line 24, by striking the words "two adjacent counties."; and inserting in lieu thereof the following:

"**For high impact projects in a facility located within two adjacent counties, the new payroll shall equal or exceed the higher county wage of the two adjacent counties.**".

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

Senator Lager offered **SA 2**, which was read:

SENATE AMENDMENT NO. 2

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 38, Section 99.960, Line 21 of said page, by striking the word "before" and inserting in lieu thereof the following: "**after**".

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

Senator Griesheimer offered **SA 3**:

SENATE AMENDMENT NO. 3

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 206, Section 447.708, Line 8 of said page, by inserting immediately after the word "abatement," the following: "**environmental insurance premiums, backfill of areas where contaminated**

soil excavation occurs,"; and further amend line 20 of said page, by striking the opening bracket "**[**"; and

Further amend said bill and section, Page 207, line 8 of said page, by striking the closing bracket "**]**"; and

Further amend said bill and section, page 208, line 11 of said page, by inserting immediately after the word "facility." the following: "**In the event the department of natural resources issues a letter of completion for a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount of the remaining percentage may be released based on the percentage of the total site receiving a letter of completion.**".

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

Senator Griesheimer offered **SA 4**:

SENATE AMENDMENT NO. 4

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 61, Section 100.850, Line 12 of said page, by striking the word "fifteen" and inserting in lieu thereof the following: "**twenty-five**"; and further amend line 17 of said page, by striking the word "fifteen" and inserting in lieu thereof the following: "**twenty-five**".

Senator Griesheimer moved that the above amendment be adopted, and requested a roll call vote be taken. He was joined in his request by Senators Bartle, Callahan, Crowell and Dempsey.

Senator Pearce assumed the Chair.

SA 4 was adopted by the following vote:

YEAS—Senators

Bray	Callahan	Cunningham	Days	Dempsey	Griesheimer	Justus	McKenna
Pearce	Rupp	Schmitt	Shields	Shoemyer	Smith	Vogel	Wilson
Wright-Jones—17							

NAYS—Senators

Barnitz	Bartle	Champion	Crowell	Goodman	Green	Lager	Lembke
Mayer	Nodler	Purgason	Ridgeway	Stouffer—13			

Absent—Senators

Clemens	Engler	Schaefer	Scott—4

Absent with leave—Senators—None

Vacancies—None

Senator Griesheimer offered **SA 5**:

SENATE AMENDMENT NO. 5

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 158, Section 135.967, Line 25 of said page, 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, RSMo, 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 modification was made under subdivision (3) of subsection 2 of this section, the amount by which addition 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, RSMo, 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 or cumulatively exceed two thousand dollars per taxpayer or 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**] allowed** for any **[**otherwise**]** eligible activity under this subsection **shall be reduced by an amount equal to [**if such activity qualified for and received**]** any rebate or other incentive **received** 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."; and

Further amend the title and enacting clause accordingly.

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

Senator Rupp offered **SA 6**:

SENATE AMENDMENT NO. 6

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 21, Section 32.115, Line 12, by inserting after all of said line the following:

"**71.275. Notwithstanding any other provision of law to the contrary, if the governing body of any municipality finds it in the public interest that a parcel of land that has not been sold within the previous six months and is contiguous and compact to the existing corporate limits of the municipality and located in an unincorporated area of the county, which is used as a research park, should be located in the municipality, such municipality may annex such parcel, provided that the municipality obtains written consent of all the property owners located within the unincorporated area of such parcel. For purposes of this section, the term "research park" shall mean an area developed by a university to be used by technology-intensive and research-based companies as a business location, and a parcel of land shall be considered "sold" when there is a change in at least fifty-one percent of the property's ownership in a transaction that involves a buyer or buyers and a seller or sellers, but shall not include a partial divestment of such real property or any transaction in which ownership is vested in whole or in part in a subsidiary, affiliate, partner, joint venturer, or other entity to the owner.**"; and

Further amend the title and enacting clause accordingly.

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

Senator Lager offered **SA 7**:

SENATE AMENDMENT NO. 7

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 21, Section 32.115, Line 12 of said page, by inserting immediately after all of said line the following:

"67.110. 1. Each political subdivision in the state, except counties and any political subdivision located at least partially within any county with a charter form of government or any political subdivision located at least partially within any city not within a county, shall fix its ad valorem property tax rates as provided in this section not later than September first for entry in the tax books. Each political subdivision located, at least partially, within a county with a charter form of government or within a city not within a county shall fix its ad valorem property tax rates as provided in this section not later than October first for entry in the tax books for each calendar year after December 31, 2008. Before the governing body of each political subdivision of the state, except counties, as defined in section 70.120, RSMo, fixes its rate of taxation, its budget officer shall present to its governing body the following information for each tax rate to be levied: the assessed valuation by category of real, personal and other tangible property in the political subdivision as entered in the tax book for the fiscal year for which the tax is to be levied, as provided by subsection 3 of section 137.245, RSMo, the assessed valuation by category of real, personal and other tangible property in the political subdivisions for the preceding taxable year, the amount of revenue required to be provided from the property tax as set forth in the annual budget adopted as provided by this chapter, and the tax rate proposed to be set. Should any political subdivision whose taxes are collected by the county collector of revenue fail to fix its ad valorem property tax rate by **[**September first**] the date provided under this section for such political subdivision**, then no tax rate other than the rate, if any, necessary to pay the interest and principal on any outstanding bonds shall be certified for that year.

2. The governing body shall hold at least one public hearing on the proposed rates of taxes at which citizens shall be heard prior to their approval. The governing body shall determine the time and place for such hearing. A notice stating the hour, date and place of the hearing shall be published in at least one newspaper qualified under the laws of the state of Missouri of general circulation in the county within which

all or the largest portion of the political subdivision is situated, or such notice shall be posted in at least three public places within the political subdivision; except that, in any county of the first class having a charter form of government, such notice may be published in a newspaper of general circulation within the political subdivision even though such newspaper is not qualified under the laws of Missouri for other legal notices. Such notice shall be published or posted at least seven days prior to the date of the hearing. The notice shall include the assessed valuation by category of real, personal and other tangible property in the political subdivision for the fiscal year for which the tax is to be levied as provided by subsection 3 of section 137.245, RSMo, the assessed valuation by category of real, personal and other tangible property in the political subdivision for the preceding taxable year, for each rate to be levied the amount of revenue required to be provided from the property tax as set forth in the annual budget adopted as provided by this chapter, and the tax rates proposed to be set for the various purposes of taxation. The tax rates shall be calculated to produce substantially the same revenues as required in the annual budget adopted as provided in this chapter. Following the hearing the governing body of each political subdivision shall fix the rates of taxes, the same to be entered in the tax book. Failure of any taxpayer to appear at such hearing shall not prevent the taxpayer from pursuit of any other legal remedy otherwise available to the taxpayer. Nothing in this section absolves political subdivisions of responsibilities under section 137.073, RSMo, nor to adjust tax rates in event changes in assessed valuation occur that would alter the tax rate calculations.

3. Each political subdivision of the state shall fix its property tax rates in the manner provided in this section for each fiscal year which begins after December 31, 1976. New or increased tax rates for political subdivisions whose taxes are collected by the county collector approved by voters after September first of any year shall not be included in that year's tax levy except for any new tax rate ceiling approved pursuant to section 71.800, RSMo.

4. In addition to the information required under subsections 1 and 2 of this section, each political subdivision shall also include the increase in tax revenue due to an increase in assessed value as a result of new construction and improvement and the increase, both in dollar value and percentage, in tax revenue as a result of reassessment if the proposed tax rate is adopted."; and

Further amend said bill, page 158, section 135.967, line 25, by inserting immediately after all of said line the following:

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

(1) "General reassessment", changes in value, entered in the assessor's books, of a substantial portion of the parcels of real property within a county resulting wholly or partly from reappraisal of value or other actions of the assessor or county equalization body or ordered by the state tax commission or any court;

(2) "Tax rate", "rate", or "rate of levy", singular or plural, includes the tax rate for each purpose of taxation of property a taxing authority is authorized to levy without a vote and any tax rate authorized by election, including bond interest and sinking fund;

(3) "Tax rate ceiling", a tax rate as revised by the taxing authority to comply with the provisions of this section or when a court has determined the tax rate**[**; except that, other provisions of law to the contrary notwithstanding, a school district may levy the operating levy for school purposes required for the current year pursuant to subsection 2 of section 163.021, RSMo, less all adjustments required pursuant to article X, section 22 of the Missouri Constitution, if such tax rate does not exceed the highest tax rate in effect subsequent to the 1980 tax year**]**. This is the maximum tax rate that may be levied, unless a higher tax rate ceiling is approved by voters of the political subdivision as provided in this section;

(4) "Tax revenue", when referring to the previous year, means the actual receipts from ad valorem levies on all classes of property, including state-assessed property, in the immediately preceding fiscal year of the political subdivision, plus an allowance for taxes billed but not collected in the fiscal year and plus an additional allowance for the revenue which would have been collected from property which was annexed by such political subdivision but which was not previously used in determining tax revenue pursuant to this section. The term "tax revenue" shall not include any receipts from ad valorem levies on any property of a railroad corporation or a public utility, as these terms are defined in section 386.020, RSMo, which were assessed by the assessor of a county or city in the previous year but are assessed by the state tax commission in the current year. All school districts and those counties levying sales taxes pursuant to chapter 67, RSMo, shall include in the calculation of tax revenue an amount equivalent to that by which they reduced property tax levies as a result of sales tax pursuant to section 67.505, RSMo, and section 164.013, RSMo, or as excess home dock city or county fees as provided in subsection 4 of section 313.820, RSMo, in the immediately preceding fiscal year but not including any amount calculated to adjust for prior years. For purposes of political subdivisions which were authorized to levy a tax in the prior year but which did not levy such tax or levied a reduced rate, the term "tax revenue", as used in relation to the revision of tax levies mandated by law, shall mean the revenues equal to the amount that would have been available if the voluntary rate reduction had not been made.

2. Whenever changes in assessed valuation are entered in the assessor's books for any personal property, in the aggregate, or for any subclass 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, the county clerk in all counties and the assessor of St. Louis City shall notify each political subdivision wholly or partially within the county or St. Louis City of the change in valuation of each subclass of real property, individually, and personal property, in the aggregate, exclusive of new construction and improvements. All political subdivisions shall immediately revise the applicable rates of levy for each purpose for each subclass of real property, individually, and personal property, in the aggregate, for which taxes are levied to the extent necessary to produce from all taxable property, exclusive of new construction and improvements, substantially the same amount of tax revenue as was produced in the previous year for each subclass of real property, individually, and personal property, in the aggregate, except that **for all tax years beginning on or after January 1, 2009 but ending on or before December 31, 2013,** the rate may not exceed **the greater of the rate in effect in the 1984 tax year or** the most recent voter-approved rate. **For all tax years beginning on or after January 1, 2014, all political subdivisions shall immediately revise the applicable rates of levy for each purpose for each subclass of real property, individually, and personal property, in the aggregate, for which taxes are levied to the extent necessary to produce from all taxable property, exclusive of new construction and improvements, substantially the same amount of tax revenue as was produced in the previous year for each subclass of real property, individually, and personal property, in the aggregate, except that the rate may not exceed the most recent voter-approved rate. For the 2009 tax year, any political subdivision may levy a rate sufficient to generate substantially the same amount of tax revenue as was produced in the 2007 tax year from all taxable property, exclusive of any new construction or improvements attributable to tax years 2008 and 2009, except that such rate shall not exceed the greater of the rate in effect for the 1984 tax year or the most recent voter approved tax rate. Provisions of section 163.021, RSMo, to the contrary notwithstanding, any school district may levy the operating levy for school purposes required for the current year pursuant to subsection 2 of section 163.021, RSMo, less all adjustments required pursuant to article X, section 22 of the Missouri constitution and under subdivision 4 of subsection 5 of this section, if such tax rate does not exceed**

the highest tax rate in effect subsequent to the 1980 tax year. Provisions of section 163.021, RSMo, to the contrary notwithstanding, for all tax years beginning on or after January 1, 2014, any school district may levy the operating levy for school purposes required for the current year pursuant to subsection 2 of section 163.021, RSMo, less all adjustments required pursuant to article X, section 22 of the Missouri constitution and under subdivision 4 of subsection 5 of this section if such tax rate does not exceed the most recent voter- approved tax rate. Such tax revenue shall not include any receipts from ad valorem levies on any real property which was assessed by the assessor of a county or city in such previous year but is assessed by the assessor of a county or city in the current year in a different subclass of real property. Where the taxing authority is a school district for the purposes of revising the applicable rates of levy for each subclass of real property, the tax revenues from state-assessed railroad and utility property shall be apportioned and attributed to each subclass of real property based on the percentage of the total assessed valuation of the county that each subclass of real property represents in the current taxable year. As provided in section 22 of article X of the constitution, a political subdivision may also revise each levy to allow for inflationary assessment growth occurring within the political subdivision. The inflationary growth factor for any such subclass of real property or personal property shall be limited to the actual assessment growth in such subclass or class, exclusive of new construction and improvements, and exclusive of the assessed value on any real property which was assessed by the assessor of a county or city in the current year in a different subclass of real property, but not to exceed the consumer price index or five percent, whichever is lower. Should the tax revenue of a political subdivision from the various tax rates determined in this subsection be different than the tax revenue that would have been determined from a single tax rate as calculated pursuant to the method of calculation in this subsection prior to January 1, 2003, then the political subdivision shall revise the tax rates of those subclasses of real property, individually, and/or personal property, in the aggregate, in which there is a tax rate reduction, pursuant to the provisions of this subsection. Such revision shall yield an amount equal to such difference and shall be apportioned among such subclasses of real property, individually, and/or personal property, in the aggregate, based on the relative assessed valuation of the class or subclasses of property experiencing a tax rate reduction. Such revision in the tax rates of each class or subclass shall be made by computing the percentage of current year adjusted assessed valuation of each class or subclass with a tax rate reduction to the total current year adjusted assessed valuation of the class or subclasses with a tax rate reduction, multiplying the resulting percentages by the revenue difference between the single rate calculation and the calculations pursuant to this subsection and dividing by the respective adjusted current year assessed valuation of each class or subclass to determine the adjustment to the rate to be levied upon each class or subclass of property. The adjustment computed herein shall be multiplied by one hundred, rounded to four decimals in the manner provided in this subsection, and added to the initial rate computed for each class or subclass of property. Notwithstanding any provision of this subsection to the contrary, no revision to the rate of levy for personal property shall cause such levy to increase over the levy for personal property from the prior year.

3. (1) Where the taxing authority is a school district, it shall be required to revise the rates of levy to the extent necessary to produce from all taxable property, including state-assessed railroad and utility property, which shall be separately estimated in addition to other data required in complying with section 164.011, RSMo, substantially the amount of tax revenue permitted in this section. In the year following tax rate reduction, the tax rate ceiling may be adjusted to offset such district's reduction in the apportionment of state school moneys due to its reduced tax rate. However, in the event any school district, in calculating a tax rate ceiling pursuant to this section, requiring the estimating of effects of state-assessed railroad and utility valuation or loss of state aid, discovers that the estimates used result in receipt of excess revenues, which

would have required a lower rate if the actual information had been known, the school district shall reduce the tax rate ceiling in the following year to compensate for the excess receipts, and the recalculated rate shall become the tax rate ceiling for purposes of this section.

(2) For any political subdivision which experiences a reduction in the amount of assessed valuation relating to a prior year, due to decisions of the state tax commission or a court pursuant to sections 138.430 to 138.433, RSMo, or due to clerical errors or corrections in the calculation or recordation of any assessed valuation:

(a) Such political subdivision may revise the tax rate ceiling for each purpose it levies taxes to compensate for the reduction in assessed value occurring after the political subdivision calculated the tax rate ceiling for the particular subclass of real property or for personal property, in the aggregate, in a prior year. Such revision by the political subdivision shall be made at the time of the next calculation of the tax rate for the particular subclass of real property or for personal property, in the aggregate, after the reduction in assessed valuation has been determined and shall be calculated in a manner that results in the revised tax rate ceiling being the same as it would have been had the corrected or finalized assessment been available at the time of the prior calculation;

(b) In addition, for up to three years following the determination of the reduction in assessed valuation as a result of circumstances defined in this subdivision, such political subdivision may levy a tax rate for each purpose it levies taxes above the revised tax rate ceiling provided in paragraph (a) of this subdivision to recoup any revenues it was entitled to receive had the corrected or finalized assessment been available at the time of the prior calculation.

4. (1) In order to implement the provisions of this section and section 22 of article X of the Constitution of Missouri, the term "improvements" shall apply to both real and personal property. In order to determine the value of new construction and improvements, each county assessor shall maintain a record of real property valuations in such a manner as to identify each year the increase in valuation for each political subdivision in the county as a result of new construction and improvements. The value of new construction and improvements shall include the additional assessed value of all improvements or additions to real property which were begun after and were not part of the prior year's assessment, except that the additional assessed value of all improvements or additions to real property which had been totally or partially exempt from ad valorem taxes pursuant to sections 99.800 to 99.865, RSMo, sections 135.200 to 135.255, RSMo, and section 353.110, RSMo, shall be included in the value of new construction and improvements when the property becomes totally or partially subject to assessment and payment of all ad valorem taxes. The aggregate increase in valuation of personal property for the current year over that of the previous year is the equivalent of the new construction and improvements factor for personal property. Notwithstanding any opt-out implemented pursuant to subsection 15 of section 137.115, the assessor shall certify the amount of new construction and improvements and the amount of assessed value on any real property which was assessed by the assessor of a county or city in such previous year but is assessed by the assessor of a county or city in the current year in a different subclass of real property separately for each of the three subclasses of real property for each political subdivision to the county clerk in order that political subdivisions shall have this information for the purpose of calculating tax rates pursuant to this section and section 22, article X, Constitution of Missouri. In addition, the state tax commission shall certify each year to each county clerk the increase in the general price level as measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor publications, as defined and officially reported by the United States Department of Labor, or its successor agency. The state tax commission shall certify the

increase in such index on the latest twelve-month basis available on February first of each year over the immediately preceding prior twelve-month period in order that political subdivisions shall have this information available in setting their tax rates according to law and section 22 of article X of the Constitution of Missouri. For purposes of implementing the provisions of this section and section 22 of article X of the Missouri Constitution, the term "property" means all taxable property, including state-assessed property.

(2) Each political subdivision required to revise rates of levy pursuant to this section or section 22 of article X of the Constitution of Missouri shall calculate each tax rate it is authorized to levy and, in establishing each tax rate, shall consider each provision for tax rate revision provided in this section and section 22 of article X of the Constitution of Missouri, separately and without regard to annual tax rate reductions provided in section 67.505, RSMo, and section 164.013, RSMo. Each political subdivision shall set each tax rate it is authorized to levy using the calculation that produces the lowest tax rate ceiling. It is further the intent of the general assembly, pursuant to the authority of section 10(c) of article X of the Constitution of Missouri, that the provisions of such section be applicable to tax rate revisions mandated pursuant to section 22 of article X of the Constitution of Missouri as to reestablishing tax rates as revised in subsequent years, enforcement provisions, and other provisions not in conflict with section 22 of article X of the Constitution of Missouri. Annual tax rate reductions provided in section 67.505, RSMo, and section 164.013, RSMo, shall be applied to the tax rate as established pursuant to this section and section 22 of article X of the Constitution of Missouri, unless otherwise provided by law.

5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this section shall not be increased unless approved by a vote of the people. Approval of the higher tax rate shall be by at least a majority of votes cast. When a proposed higher tax rate requires approval by more than a simple majority pursuant to any provision of law or the constitution, the tax rate increase must receive approval by at least the majority required.

(2) When voters approve an increase in the tax rate, the amount of the increase shall be added to the tax rate ceiling as calculated pursuant to this section to the extent the total rate does not exceed any maximum rate prescribed by law. If a ballot question presents a stated tax rate for approval rather than describing the amount of increase in the question, the stated tax rate approved shall be adjusted as provided in this section and, so adjusted, shall be the current tax rate ceiling. The increased tax rate ceiling as approved shall be adjusted such that when applied to the current total assessed valuation of the political subdivision, excluding new construction and improvements since the date of the election approving such increase, the revenue derived from the adjusted tax rate ceiling is equal to the sum of: the amount of revenue which would have been derived by applying the voter-approved increased tax rate ceiling to total assessed valuation of the political subdivision, as most recently certified by the city or county clerk on or before the date of the election in which such increase is approved, increased by the percentage increase in the consumer price index, as provided by law. Such adjusted tax rate ceiling may be applied to the total assessed valuation of the political subdivision at the setting of the next tax rate. If a ballot question presents a phased-in tax rate increase, upon voter approval, each tax rate increase shall be adjusted in the manner prescribed in this section to yield the sum of: the amount of revenue that would be derived by applying such voter-approved increased rate to the total assessed valuation, as most recently certified by the city or county clerk on or before the date of the election in which such increase was approved, increased by the percentage increase in the consumer price index, as provided by law, from the date of the election to the time of such increase and, so adjusted, shall be the current tax rate ceiling.

(3) The governing body of any political subdivision may levy a tax rate lower than its tax rate ceiling and may, in a nonreassessment year, increase that lowered tax rate to a level not exceeding the tax rate ceiling without voter approval in the manner provided under subdivision (4) of this subsection. Nothing in this section shall be construed as prohibiting a political subdivision from voluntarily levying a tax rate lower than that which is required under the provisions of this section or from seeking voter approval of a reduction to such political subdivision's tax rate ceiling.

(4) In a year of general reassessment, a governing body whose tax rate is lower than its tax rate ceiling shall revise its tax rate pursuant to the provisions of subsection 4 of this section as if its tax rate was at the tax rate ceiling. In a year following general reassessment, if such governing body intends to increase its tax rate, the governing body shall conduct a public hearing, and in a public meeting it shall adopt an ordinance, resolution, or policy statement justifying its action prior to setting and certifying its tax rate. The provisions of this subdivision shall not apply to any political subdivision which levies a tax rate lower than its tax rate ceiling solely due to a reduction required by law resulting from sales tax collections. The provisions of this subdivision shall not apply to any political subdivision which has received voter approval for an increase to its tax rate ceiling subsequent to setting its most recent tax rate.

6. (1) For the purposes of calculating state aid for public schools pursuant to section 163.031, RSMo, each taxing authority which is a school district shall determine its proposed tax rate as a blended rate of the classes or subclasses of property. Such blended rate shall be calculated by first determining the total tax revenue of the property within the jurisdiction of the taxing authority, which amount shall be equal to the sum of the products of multiplying the assessed valuation of each class and subclass of property by the corresponding tax rate for such class or subclass, then dividing the total tax revenue by the total assessed valuation of the same jurisdiction, and then multiplying the resulting quotient by a factor of one hundred. Where the taxing authority is a school district, such blended rate shall also be used by such school district for calculating revenue from state-assessed railroad and utility property as defined in chapter 151, RSMo, and for apportioning the tax rate by purpose.

(2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk of the county commission in the county or counties where the tax rate applies of its tax rate ceiling and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a fraction equal to the nearest one-tenth of a cent, unless its proposed tax rate is in excess of one dollar, then one/one-hundredth of a cent. If a taxing authority shall round to one/one-hundredth of a cent, it shall round up a fraction greater than or equal to five/one-thousandth of one cent to the next higher one/one-hundredth of a cent; if a taxing authority shall round to one-tenth of a cent, it shall round up a fraction greater than or equal to five/one-hundredths of a cent to the next higher one-tenth of a cent. Any taxing authority levying a property tax rate shall provide data, in such form as shall be prescribed by the state auditor by rule, substantiating such tax rate complies with Missouri law. All forms for the calculation of rates pursuant to this section shall be promulgated as a rule and shall not be incorporated by reference. The state auditor shall promulgate rules for any and all forms for the calculation of rates pursuant to this section which do not currently exist in rule form or that have been incorporated by reference. In addition, each taxing authority proposing to levy a tax rate for debt service shall provide data, in such form as shall be prescribed by the state auditor by rule, substantiating the tax rate for debt service complies with Missouri law. A tax rate proposed for annual debt service requirements will be prima facie valid if, after making the payment for which the tax was levied, bonds remain outstanding and the debt fund reserves do not exceed the following year's payments. The county clerk shall keep on file and available for public inspection all such information for a period of three years. The clerk shall, within three days of receipt, forward a copy of the notice of a taxing authority's tax rate

ceiling and proposed tax rate and any substantiating data to the state auditor. The state auditor shall, within fifteen days of the date of receipt, examine such information and return to the county clerk his or her findings as to compliance of the tax rate ceiling with this section and as to compliance of any proposed tax rate for debt service with Missouri law. If the state auditor believes that a taxing authority's proposed tax rate does not comply with Missouri law, then the state auditor's findings shall include a recalculated tax rate, and the state auditor may request a taxing authority to submit documentation supporting such taxing authority's proposed tax rate. The county clerk shall immediately forward a copy of the auditor's findings to the taxing authority and shall file a copy of the findings with the information received from the taxing authority. The taxing authority shall have fifteen days from the date of receipt from the county clerk of the state auditor's findings and any request for supporting documentation to accept or reject in writing the rate change certified by the state auditor and to submit all requested information to the state auditor. A copy of the taxing authority's acceptance or rejection and any information submitted to the state auditor shall also be mailed to the county clerk. If a taxing authority rejects a rate change certified by the state auditor and the state auditor does not receive supporting information which justifies the taxing authority's original or any subsequent proposed tax rate, then the state auditor shall refer the perceived violations of such taxing authority to the attorney general's office and the attorney general is authorized to obtain injunctive relief to prevent the taxing authority from levying a violative tax rate.

7. No tax rate shall be extended on the tax rolls by the county clerk unless the political subdivision has complied with the foregoing provisions of this section.

8. Whenever a taxpayer has cause to believe that a taxing authority has not complied with the provisions of this section, the taxpayer may make a formal complaint with the prosecuting attorney of the county. Where the prosecuting attorney fails to bring an action within ten days of the filing of the complaint, the taxpayer may bring a civil action pursuant to this section and institute an action as representative of a class of all taxpayers within a taxing authority if the class is so numerous that joinder of all members is impracticable, if there are questions of law or fact common to the class, if the claims or defenses of the representative parties are typical of the claims or defenses of the class, and if the representative parties will fairly and adequately protect the interests of the class. In any class action maintained pursuant to this section, the court may direct to the members of the class a notice to be published at least once each week for four consecutive weeks in a newspaper of general circulation published in the county where the civil action is commenced and in other counties within the jurisdiction of a taxing authority. The notice shall advise each member that the court will exclude him or her from the class if he or she so requests by a specified date, that the judgment, whether favorable or not, will include all members who do not request exclusion, and that any member who does not request exclusion may, if he or she desires, enter an appearance. In any class action brought pursuant to this section, the court, in addition to the relief requested, shall assess against the taxing authority found to be in violation of this section the reasonable costs of bringing the action, including reasonable attorney's fees, provided no attorney's fees shall be awarded any attorney or association of attorneys who receive public funds from any source for their services. Any action brought pursuant to this section shall be set for hearing as soon as practicable after the cause is at issue.

9. If in any action, including a class action, the court issues an order requiring a taxing authority to revise the tax rates as provided in this section or enjoins a taxing authority from the collection of a tax because of its failure to revise the rate of levy as provided in this section, any taxpayer paying his or her taxes when an improper rate is applied has erroneously paid his or her taxes in part, whether or not the taxes are paid under protest as provided in section 139.031, RSMo, or otherwise contested. The part of the taxes paid erroneously is the difference in the amount produced by the original levy and the amount produced by

the revised levy. The township or county collector of taxes or the collector of taxes in any city shall refund the amount of the tax erroneously paid. The taxing authority refusing to revise the rate of levy as provided in this section shall make available to the collector all funds necessary to make refunds pursuant to this subsection. No taxpayer shall receive any interest on any money erroneously paid by him or her pursuant to this subsection. Effective in the 1994 tax year, nothing in this section shall be construed to require a taxing authority to refund any tax erroneously paid prior to or during the third tax year preceding the current tax year.

10. 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 August 28, 2004, shall be invalid and void."; and

Further amend the title and enacting clause accordingly.

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

Senator Champion offered **SA 8**:

SENATE AMENDMENT NO. 8

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 50, Section 99.1205, Line 3 of said page, by inserting after all of said line the following:

"100.265. 1. There is hereby created within the department of economic development the "Missouri Development Finance Board", which shall constitute a body corporate and politic and shall consist of twelve members, including the lieutenant governor, the director of the department of economic development, the director of the department of natural resources, and the director of the department of agriculture. No more than five members appointed by the governor to the board shall be of the same political party. Except for the lieutenant governor, the director of the department of economic development, the director of the department of natural resources, and the director of the department of agriculture, all members shall be appointed by the governor by and with the advice and consent of the senate, and shall serve for terms of four years. The persons serving as members of the Missouri economic development, export and infrastructure board on August 28, 1994, shall become members of the Missouri development finance board for terms to expire at the same time their terms would have expired if they had remained members of the Missouri economic development, export and infrastructure board. The Missouri development finance board shall replace the Missouri economic development, export and infrastructure board. All moneys, property, any other assets or liabilities of the Missouri economic development, export and infrastructure board on August 28, 1994, shall be transferred to the Missouri development finance board. All powers, duties and functions performed by the Missouri economic development, export and infrastructure board pursuant to sections 100.250 to 100.297 shall be transferred to the Missouri development finance board.

2. Each member of the board appointed by the governor shall have resided in this state for at least five years prior to appointment. Except for the lieutenant governor, director of the department of economic development, the director of the department of natural resources, and the director of the department of agriculture, no person may be appointed to the board who is an elected officer or employee of the state, or

any agency, board, commission, or authority established by the state.

3. The governor shall designate one of the members of the board to serve as chairman. The board shall meet at such times and places it shall designate. Seven members shall constitute a quorum. No vacancy in the membership shall impair the right of a quorum of the members to exercise all of the rights and powers and to perform all of the duties of the board.

4. Members of the board shall serve without compensation but shall be reimbursed for their reasonable and necessary expenses incurred in the performance of their duties.

5. Any member of the board or any relative of such member within the second degree of consanguinity shall be ineligible for issuance or redemption of any state tax credit administered by the board for the entire tenure of such member and the three years immediately following the expiration of such member's term."; and

Further amend the title and enacting clause accordingly.

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

Senator Champion offered **SA 9**, which was read:

SENATE AMENDMENT NO. 9

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 176, Section 253.550, Line 12, by inserting immediately after the number "5." the following:

"**The department shall, no later than the first day of August of each year, provide the general assembly with a report specifying the amount of tax credits authorized under the provisions of sections 253.545 to 253.559 during the previous fiscal year and state with specificity the amount of tax credits allocated to projects within each county of the state for such fiscal year.**".

Senator Champion moved that the above amendment be adopted.

Senator Dempsey assumed the Chair.

Senator Smith offered **SSA 1** for **SA 9**, which was read:

SENATE SUBSTITUTE AMENDMENT NO. 1 FOR
SENATE AMENDMENT NO. 9

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 152, Section 135.821, Line 11, by inserting immediately after the word "RSMo," the following:

"**the historic preservation tax credit program created pursuant to sections 253.545 to 253.559, RSMo,**"; and

Further amend said bill, pages 174-176, section 253.550, by striking all of said section from the bill; and

Further amend the title and enacting clause accordingly.

Senator Smith moved that the above substitute amendment be adopted.

At the request of Senator Champion, **SA 9** was withdrawn, rendering the pending substitute amendment moot.

Senator Shoemyer offered **SA 10**:

SENATE AMENDMENT NO. 10

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 40, Section 99.960, Line 22 of said page, by inserting after all of said line the following:

"99.1090. 1. A municipality shall submit an application to the department of economic development for review and determination as to approval of the disbursement of the project costs of one or more redevelopment projects from the downtown revitalization preservation fund. The department of economic development shall forward the application to the commissioner of the office of administration for approval. In no event shall any approval authorize a disbursement of one or more redevelopment projects from the downtown revitalization preservation fund which exceeds the allowable amount of other net new revenues derived from the redevelopment area. An application submitted to the department of economic development shall contain the following, in addition to the items set forth in section 99.1086:

(1) An estimate that one hundred percent of the local sales tax increment deposited to the special allocation fund must and will be used to pay redevelopment project costs or obligations issued to finance redevelopment project costs to achieve the objectives of the redevelopment plan**. Contributions to the redevelopment project from any private not-for-profit organization or local contributions from tax abatement or other sources may be substituted on a dollar-for-dollar basis for the local match of one hundred percent of economic activity taxes from the fund**;

(2) Identification of the existing businesses located within the redevelopment project area and the redevelopment area;

(3) The aggregate baseline year amount of state sales tax revenues reported by existing businesses within the redevelopment project area. Provisions of section 32.057, RSMo, notwithstanding, municipalities will provide this information to the department of revenue for verification. The department of revenue will verify the information provided by the municipalities within forty-five days of receiving a request for such verification from a municipality;

(4) An estimate of the state sales tax increment within the redevelopment project area after redevelopment. The department of economic development shall have the discretion to exempt smaller projects from this requirement;

(5) An affidavit that is signed by the developer or developers attesting that the provision of subdivision (2) of subsection 2 of section 99.1086 has been met;

(6) The amounts and types of other net new revenues sought by the applicant to be disbursed from the downtown revitalization preservation fund over the term of the redevelopment plan;

(7) The methodologies and underlying assumptions used in determining the estimate of the state sales tax increment; and

(8) Any other information reasonably requested by the department of economic development.

2. The department of economic development shall make all reasonable efforts to process applications within a reasonable amount of time.

3. The department of economic development shall make a determination regarding the application for a certificate allowing disbursements from the downtown revitalization preservation fund and shall forward such determination to the commissioner of the office of administration. In no event shall the amount of disbursements from the downtown revitalization preservation fund approved for a project, in addition to any

other state economic redevelopment funding or other state incentives, exceed the projected state benefit of the redevelopment project, as determined by the department of economic development through a cost-benefit analysis. Any political subdivision located either wholly or partially within the redevelopment area shall be permitted to submit information to the department of economic development for consideration in its cost-benefit analysis. Upon approval of downtown revitalization preservation financing, a certificate of approval shall be issued by the department of economic development containing the terms and limitations of the disbursement.

4. At no time shall the annual amount of other net new revenues approved for disbursements from the downtown revitalization preservation fund exceed fifteen million dollars.

5. Redevelopment projects receiving disbursements from the downtown revitalization preservation fund shall be limited to receiving such disbursements for twenty-five years. The approved term notwithstanding, downtown revitalization preservation financing shall terminate when redevelopment financing for a redevelopment project is terminated by a municipality.

6. The municipality shall deposit payments received from the downtown revitalization preservation redevelopment fund in a separate segregated account for other net new revenues within the special allocation fund.

7. 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 downtown revitalization preservation fund for the ongoing administrative functions associated with such redevelopment project. Such amounts shall be recovered from new state revenues deposited into the downtown revitalization preservation fund created under section 99.1092.

8. A redevelopment project approved for downtown revitalization preservation financing shall not thereafter elect to receive tax increment financing under the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, and continue to receive downtown revitalization financing under sections 99.1080 to 99.1092.

9. The department of economic development may establish the procedures and standards for the determination and approval of applications by the promulgation of rules and publish forms to implement the provisions of this section and section 99.1092.

10. 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 and section 99.1092 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, section 99.1092, and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly under 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 August 28, 2005, shall be invalid and void."; and

Further amend the title and enacting clause accordingly.

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

Senator Shoemyer offered **SA 11**:

SENATE AMENDMENT NO. 11

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House

Bill No. 191, Page 237, Section 620.1041, Line 23 of said page, by striking the word "thirty" and inserting in lieu thereof the following: "**ten**".

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

Senator Schmitt offered **SA 12**:

SENATE AMENDMENT NO. 12

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 179, Section 320.093, Line 5 of said page, by inserting immediately after said line the following:

"**348.268. 1. This section shall be known and may be cited as the "Proof of Concept Technology Business Finance Program Act".**

2. There is hereby created within the Missouri technology investment fund established under section 348.264 an account to be known as the "Proof of Concept Technology Business Finance Program Account". The account shall consist of all moneys which may be appropriated to it by the general assembly, and also any gifts, contributions, grants, or bequests received from federal, private or other sources. The account shall also consist of payments on loans made from the account by the Missouri technology corporation under the proof of concept technology business finance program. Moneys for the proof of concept technology business finance program established under this section shall be available from appropriations made by the general assembly from the proof of concept technology business finance program account of the Missouri technology investment fund. Any moneys remaining in the proof of concept technology business finance program account at the end of any fiscal year shall not lapse to the general revenue fund, as provided in section 33.080, RSMo, but shall remain in the proof of concept technology business finance program account.

3. (1) The Missouri technology corporation may use moneys in the proof of concept technology business finance program account, as appropriated, to make one-time loans to a company that is at the early development stage of commercializing advanced technology.

(2) The loan amount to any single advanced technology company shall not exceed seventy-five thousand dollars, provided that no more than one million two hundred fifty thousand dollars shall be available for loans to advanced technology companies per year.

(3) Loans shall be repaid to the Missouri technology corporation in an amount equal to two times the amount loaned. Repayment shall take place no later than five years from the date of the loan. Early repayment will result in prorating of the repayment amount.

(4) The Missouri technology corporation's loan shall be leveraged dollar-for-dollar by at least one additional equity investment in the company.

(5) Eligible advanced technology industries shall include animal health, biotechnology, information technology, communications technology, aerospace, electronics, robotics, medical devices and instruments, telecommunications, plant sciences, and energy. Ineligible company industries include banking and lending, development, management and investment companies, finance, insurance, mining, oil and gas exploration, real estate, wholesale, and retail.

(6) Eligible companies shall be technology-based, sufficiently innovative to provide a competitive advantage in the marketplace, and have the potential for significant, high performance growth.

(7) An eligible company shall have fifty percent or more of its employees and assets in Missouri.

(8) An eligible company shall have average wage levels at least thirty-five percent higher than the average county wage level as determined by the department of economic development for the most recently completed full calendar year.

(9) An eligible company shall be at the early development stage of commercializing an advanced technology.

(10) An eligible company, at the time a proof of concept loan is made to that company, shall be a small business concern that meets the requirements of the United States Small Business Administration's qualification size standards for its business loan program, as defined in 13 CFR 121.301(a) of the Small Business Investment Act of 1958, as amended.

4. Eligible use of the proceeds of a proof of concept program loan include intellectual property development, building prototypes, market studies, identifying and securing a management team, and business operations.

5. The Missouri technology corporation may make proof of concept loans to eligible advanced technology companies only after:

(1) Receipt of an application from the company that contains:

(a) A business plan including a description of the company and its management, product, and market;

(b) A statement of the amount, timing, and projected use of the capital required;

(c) A statement of the potential economic impact of the advanced technology company, including the number, location, and types of jobs expected to be created; and

(d) Such other information as the Missouri technology corporation board of directors shall request;

(2) Approval of the loan by the Missouri technology corporation, which may be made after the board of directors finds, based upon the application submitted by the company and such additional investigation as the staff of the Missouri technology corporation shall make that:

(a) The proceeds of the loan will be used only to cover the proof of concept capital needs of the company;

(b) The company has a reasonable chance of success;

(c) The Missouri technology corporation's participation is instrumental to the success of the company and will assist in its retention within the state;

(d) The Missouri technology corporation's loan is leveraged by at least one additional equity investment in the company;

(e) The company has the reasonable potential to enhance employment opportunities within the state;

(f) The entrepreneur and other founders of the company have already made or are contractually committed to make an appropriate financial and time commitment to the enterprise;

(g) There is a reasonable possibility that the Missouri technology corporation will be repaid the

loan as provided for in this section; and

(h) Binding commitments have been made to the Missouri technology corporation by the company for adequate reporting of financial data to the Missouri technology corporation, which shall include a requirement for an annual report, or if required by the board, an annual audit of the financial and operational records of the company.

6. The Missouri technology corporation may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to carry out the provisions of this section. 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 under 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 August 28, 2009, shall be invalid and void."; and

Further amend the title and enacting clause accordingly.

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

Senator Rupp offered **SA 13**, which was read:

SENATE AMENDMENT NO. 13

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 264, Section 1, Line 4, by inserting immediately after all of said line the following:

"**Section 2. This section shall be known and may be cited as the Vandalay Industries and Kramerica Tax Credit Program. For fiscal year 2010, and each fiscal year thereafter no more than ten million dollars in tax credits shall be made available for qualified oil tanker liner technology and condiment combination lab to market ventures.**"; and

Further amend the title and enacting clause accordingly.

Senator Rupp moved that the above amendment be adopted.

At the request of Senator Rupp, **SA 13** was withdrawn.

Senator Green offered **SA 14**, which was read:

SENATE AMENDMENT NO. 14

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 55, Section 100.286, Line 18, by inserting at the end of said line the following: "**No tax credits provided under this section or section 100.297 shall be issued for projects involving the construction of facilities which shall in any way be utilized by a professional sports team.**".

Senator Green moved that the above amendment be adopted.

At the request of Senator Green, **SA 14** was withdrawn.

Senator Smith offered **SA 15**:

SENATE AMENDMENT NO. 15

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House

Bill No. 191, Page 16, Section 32.115, Lines 17-26, by striking all of said lines and inserting in lieu thereof the following: "**allocated shall be authorized. In any fiscal year for which an**"; and

Further amend said bill, page 152, section 135.821, line 11, by inserting immediately after the word "RSMo," the following:

"**the youth opportunities tax credit created pursuant to section 135.460,**".

Senator Smith moved that the above amendment be adopted, and requested a roll call vote be taken. He was joined in his request by Senators Crowell, Engler, Griesheimer and Shoemyer.

SA 15 failed of adoption by the following vote:

YEAS—Senators

Bray	Callahan	Crowell	Days	Dempsey	Goodman	Schmitt	Smith
Wright-Jones—9							

NAYS—Senators

Barnitz	Champion	Engler	Green	Griesheimer	Lager	Lembke	Mayer
McKenna	Nodler	Pearce	Purgason	Ridgeway	Rupp	Schaefer	Scott
Shields	Shoemyer	Stouffer	Wilson—20				

Absent—Senators

Clemens	Cunningham	Justus—3

Absent with leave—Senators

Bartle	Vogel—2

Vacancies—None

Senator Crowell offered **SA 16**, which was read:

SENATE AMENDMENT NO. 16

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 54, Section 100.286, Line 18, by striking the word "The"; and further amend lines 19-28, by striking all of said lines; and

Further amend said bill and section, page 55, lines 1-2, by striking all of said lines and inserting in lieu thereof the following: "**Taxpayers shall file, with the**".

Senator Crowell moved that the above amendment be adopted.

Senator Crowell offered **SSA 1** for **SA 16**, which was read:

SENATE SUBSTITUTE AMENDMENT NO. 1 FOR
SENATE AMENDMENT NO. 16

Amend Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 54, Section 100.286, Lines 10-11, by striking the words "ten million dollars" and inserting in lieu thereof the following: "**fifteen million dollars**"; and further amend line 15, by striking the words "ten million dollars" and inserting in lieu thereof the following: "**fifteen million dollars**"; and further amend line 18, by striking the word "The"; and further amend lines 19-28, by striking all of said lines; and

Further amend said bill and section, page 55, lines 1-2, by striking all of said lines and inserting in lieu thereof the following: "**Taxpayers shall file, with the**".

Senator Crowell moved that the above amendment be adopted.

Senator Crowell offered **SA 1** to **SSA 1** for **SA 16**, which was read:

SENATE AMENDMENT NO. 1 TO
SENATE SUBSTITUTE AMENDMENT NO. 1 FOR
SENATE AMENDMENT NO. 16

Amend Senate Substitute Amendment No. 1 for Senate Amendment No. 16 to Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 191, Page 1, Section 100.286, Line 3, by striking the words "fifteen million dollars" and inserting in lieu thereof the following: "**one dollar**"; and further amend lines 5-6 of said amendment, by striking the words "fifteen million dollars" and inserting in lieu thereof the following: "**one dollar**".

Senator Crowell moved that the above amendment be adopted.

Senator Crowell requested a roll call vote be taken on the adoption of **SA 1** to **SSA 1** for **SA 16**; **SSA 1** for **SA 16**; and **SA 16**. He was joined in his requests by Senators Ridgeway, Lembke, McKenna and Smith.

SA 1 to **SSA 1** for **SA 16** failed of adoption by the following vote:

YEAS—Senators

Crowell	Green	Lembke	Mayer	Ridgeway—5

NAYS—Senators

Barnitz	Bray	Callahan	Champion	Days	Dempsey	Engler	Goodman
Griesheimer	Justus	Lager	McKenna	Nodler	Pearce	Rupp	Schaefer
Schmitt	Scott	Shields	Shoemyer	Smith	Stouffer	Wilson	Wright-Jones—24

Absent—Senators

Clemens	Cunningham	Purgason—3

Absent with leave—Senators

Bartle	Vogel—2

Vacancies—None

SSA 1 for **SA 16** was again taken up.

Senator Crowell moved that the above substitute amendment be adopted, which motion failed by the following vote:

YEAS—Senators

Barnitz	Crowell	Justus	Lager	Lembke	Mayer	McKenna	Ridgeway
Rupp	Shoemyer	Smith	Stouffer—12				

NAYS—Senators

Bray	Callahan	Champion	Cunningham	Days	Dempsey	Engler	Goodman
Griesheimer	Pearce	Schaefer	Schmitt	Scott	Shields	Wilson	Wright-Jones—16

Absent—Senators

Clemens Green Purgason—3

Absent with leave—Senators

Bartle Nodler Vogel—3

Vacancies—None

Senator Rupp assumed the Chair.

SA 16 was again taken up.

Senator Crowell moved that the above amendment be adopted, which motion failed by the following vote:

YEAS—Senators

Barnitz Crowell Green Lembke Mayer Ridgeway Shoemyer Smith—8

NAYS—Senators

Bray Callahan Champion Cunningham Days Dempsey Engler Goodman
Griesheimer Justus Lager McKenna Pearce Rupp Schaefer Schmitt
Scott Shields Stouffer Wilson Wright-Jones—21

Absent—Senators

Clemens Purgason—2

Absent with leave—Senators

Bartle Nodler Vogel—3

Vacancies—None

At the request of Senator Griesheimer, **HCS** for **HB 191**, with **SCS** and **SS** for **SCS**, as amended (pending), was placed on the Informal Calendar.

REPORTS OF STANDING COMMITTEES

Senator Engler, 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 **SCS** for **SB 71**; **SCS** for **SB 538**; and **SCS** for **SB 549**, 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.

REFERRALS

President Pro Tem Shields referred **SCS** for **SB 538** to the Committee on Governmental Accountability and Fiscal Oversight.

INTRODUCTIONS OF GUESTS

Senator Crowell introduced to the Senate, Erv Johnson, Cape Girardeau.

Senator Bray introduced to the Senate, the Physician of the Day, Dr. Kit Young, M.D., St. Louis.

Senator Wilson introduced to the Senate, Eric Collins, Leawood, Kansas.

Senator Nodler introduced to the Senate, Cookie Estrada, Joplin.

Senator Shields introduced to the Senate, Mark Cartledge, Dan Kappel, Marilyn Robb, Erik and Scott Sommer, Cenia D. Boxman, Larry Davis, Mary Jo Eiberger, representatives of the YMCA from around the state.

Senator Champion introduced to the Senate, Lacy Nunnely and students from Evangel University, Springfield.

Senator Clemens introduced to the Senate, coaches Jerry Songer, Michael Willis and James Lafferty, parents and members of the Class 2 State Champion Sparta High School girls basketball team, Tashina Tennis, Kayla Case, Kayla, Dallis and Torie Coffer, Brooke and Alison Stevens, April Crosswhite, Courtney Baughman, Mikalah Hardcastle and Paige Watkins.

Senator Schmitt introduced to the Senate, Tim Dorsey, Manchester; and David Brown, Lake Ozark.

Senator Schmitt introduced to the Senate, Jessica, Stephen and Brendon Spears, Affton.

Senator Lager introduced to the Senate, representatives of Midland Empire Resources for Independent Living, St. Joseph and the 12th Senatorial District.

Senator Pearce introduced to the Senate, Whiteman Air Force Base Spouses; members of Warrensburg Chamber of Commerce and members of Knob Noster Chamber of Commerce.

Senator Cunningham introduced to the Senate, Thomas Stevenson and Jamey Murphy, Chesterfield.

Senator Purgason introduced to the Senate, Brenda Bell, Brandon Maxwell, Iva Highfill, Craig Klein, Eric Gibson, Melissa Robbins, Bill Doig, Jim Vocak, Jenny Flatt, Josh Redfield, Patrick Reid, Louise Cook, Karen Gilliam and Elizabeth Grisham, Howell County.

Senator Shields introduced to the Senate, Mary Shuman, Jamie Roe, Kathy Crawford, Leila Hicks and Guadalupe A. Hernandez, St. Joseph.

Senator Nodler introduced to the Senate, Brandon, Katie and Blake Casey, Goodman; Josh Casey, Joplin; Caleb, Layne and Kyla Hinz, Neosho; Rayma and Kyle Hinz, and Whitney and Tanner Hollaway; and Layne, Kyla and Blake were made honorary pages.

Senator Nodler introduced to the Senate, Fire Chief Andy Nimmo, Redings Mill.

Senator Ridgeway introduced to the Senate, Glenn Dittmar, Faucett; and Janet Cain, Braymer.

Senator Champion introduced to the Senate, members of Missouri State Orthopaedic Association.

Senator Ridgeway introduced to the Senate, Nathan and Brenna Willett, Liberty.

Senator McKenna introduced to the Senate, John, Mary, Louise and Jack Gilmore, Dundalk, Ireland.

Senator Rupp introduced to the Senate, Tabitha Couch, Wright City; and Matt Lindewirter, Wentzville.

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

SENATE CALENDAR

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FIFTIETH DAY–THURSDAY, APRIL 9, 2009

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FORMAL CALENDAR

HOUSE BILLS ON SECOND READING

HCS for HJR 10

THIRD READING OF SENATE BILLS

SS for SCS for SB 167-Rupp
(In Fiscal Oversight)
SCS for SBs 207 & 245-Rupp
(In Fiscal Oversight)
SS for SCS for SB 306-Dempsey
(In Fiscal Oversight)
SS for SCS for SB 558-Mayer
(In Fiscal Oversight)
SS for SB 172-Green
SCS for SB 123-Griesheimer
SCS for SB 71-Stouffer
SCS for SB 538-Champion
(In Fiscal Oversight)
SCS for SB 549-Schmitt

SENATE BILLS FOR PERFECTION

SB 542-Pearce, with SCS
SB 254-Barnitz and Shoemyer
SB 383-Dempsey, with SCS
SBs 453 & 24-Mayer, with SCS
SB 495-Griesheimer, with SCS
SB 376-Lager and Callahan, with SCS
SB 299-Griesheimer, with SCS

INFORMAL CALENDAR

THIRD READING OF SENATE BILLS

SS#2 for SCS for SB 5-Griesheimer

SENATE BILLS FOR PERFECTION

SB 7-Griesheimer, with SS (pending)
SB 18-Bray, et al, with SCS & SS for SCS
(pending)
SB 29-Stouffer
SBs 45, 212, 136, 278, 279, 285 & 288-Pearce
and Smith, with SCS & SS#3 for SCS (pending)
SB 57-Stouffer, with SCS & SA 1 (pending)
SB 72-Stouffer, with SCS

SB 94-Justus, et al, with SCS & SS for SCS (pending)
SB 174-Griesheimer and Goodman, with SCS, SS#2 for SCS & SA 2 (pending)
SCS for SB 189-Shields
SBs 223 & 226-Goodman and Nodler, with SCS & SA 1 (pending)
SB 228-Scott, with SCS, SS for SCS, SA 12, SSA 1 for SA 12 & SA 1 to SSA 1 for SA 12 (pending)
SB 236-Lembke
SBs 261, 159, 180 & 181-Bartle and Goodman, with SCS & SS#3 for SCS (pending)
SB 264-Mayer
SB 267-Mayer and Green, with SA 1 (pending)
SB 284-Lembke, et al
SB 321-Days, et al, with SCS (pending)
SBs 335 & 16-Rupp, with SCS
SB 363-Griesheimer, with SCS, SS for SCS and SA 2 (pending)
SB 364-Clemens and Schaefer
SB 409-Stouffer, with SCS (pending)
SB 477-Wright-Jones, with SS (pending)
SB 527-Nodler and Bray
SB 555-Lager, with SCS, SS for SCS & SA 2 (pending)
SB 572-Dempsey and Justus
SJR 12-Scott, with SCS (pending)

HOUSE BILLS ON THIRD READING

HCS for HB 191, with SCS & SS for SCS (pending) (Griesheimer)

RESOLUTIONS

Reported from Committee

SR 141-Engler, with point of order (pending)
SCR 7-Pearce
SR 207-Lembke and Smith, with SCS & SS for SCS (pending)
SCR 11-Bartle, et al
SCR 14-Schmitt
SCR 21-Clemens
SCR 10-Rupp
SCR 18-Bartle and Rupp
SCR 23-Schmitt

To be Referred

SCR 26-Wilson

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