

MISSOURI HOUSE OF REPRESENTATIVES

ROD JETTON, SPEAKER

**SUMMARIES OF  
TRULY AGREED TO AND FINALLY PASSED BILLS**

MISSOURI GENERAL ASSEMBLY

93RD GENERAL ASSEMBLY

FIRST REGULAR SESSION

2005

Prepared by House Research Staff

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**ROD JETTON**  
**SPEAKER OF THE HOUSE**  
MISSOURI HOUSE OF REPRESENTATIVES

May 14, 2005

To: Members of the House of Representatives

From: Speaker Rod Jetton

Attached are summaries of the bills Truly Agreed To and Finally Passed in the session just ended. Additional copies are available from the House Post Office (751-4555) or House Research (751-2979).

You will be mailed a printed booklet of the summaries with an index as soon as it is available.

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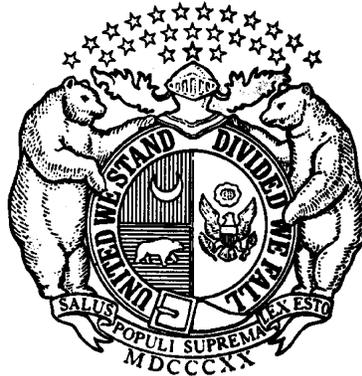
**TRULY AGREED  
TO  
AND FINALLY  
PASSED**

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**HOUSE BILLS**

**FIRST REGULAR SESSION  
93rd GENERAL ASSEMBLY**

**2005**



**Prepared by  
House Research Staff**

# FY 2006 OPERATING BUDGET SUMMARY

<u>House</u> <u>Bill</u>	FY 2005 Budget	FY 2006 TAFP
<b>1</b>	<b><u>Public Debt</u></b>	
	General Revenue \$ 103,045,815	\$ 104,855,732
	Federal Funds 0	0
	Other Funds 996,472	1,002,235
	Total \$ 104,042,287	\$ 105,857,967
	0.00	0.00
<b>2</b>	<b><u>Elementary and Secondary Education</u></b>	
	General Revenue \$ 2,562,386,690	\$ 2,558,361,252
	Federal Funds 995,086,690	948,302,067
	Other Funds 1,209,356,093	1,336,789,504
	Total \$ 4,766,829,473	\$ 4,843,452,823
	1,968.15	1,893.46
<b>3</b>	<b><u>Higher Education</u></b>	
	General Revenue \$ 862,342,574	\$ 857,407,118
	Federal Funds 6,247,637	6,247,638
	Other Funds 180,529,321	183,805,883
	Total \$ 1,049,119,532	\$ 1,047,460,639
	89.73	89.73
<b>4</b>	<b><u>Revenue</u></b>	
	General Revenue \$ 90,400,447	\$ 95,788,938
	Federal Funds 9,001,789	7,644,994
	Other Funds 359,440,252	324,789,987
	Total \$ 458,842,488	\$ 428,223,919
	2,107.70	1,794.76
<b>4</b>	<b><u>Transportation</u></b>	
	General Revenue \$ 12,162,168	\$ 11,489,115
	Federal Funds 53,276,877	57,431,590
	Other Funds 1,578,332,143	1,656,709,297
	Total \$ 1,643,771,188	\$ 1,725,630,002
	6,688.25	6,990.20
<b>5</b>	<b><u>Office of Administration</u></b>	
	General Revenue \$ 153,139,380	\$ 146,838,265
	Federal Funds 9,568,718	16,116,423
	Other Funds 9,734,796	9,157,399
	Total \$ 172,442,894	\$ 172,112,087
	934.47	829.50
<b>5</b>	<b><u>Employee Benefits</u></b>	
	General Revenue \$ 445,183,121	\$ 475,323,434
	Federal Funds 139,645,514	147,578,286
	Other Funds 136,843,417	141,568,823
	Total \$ 721,672,052	\$ 764,470,543
	0.00	0.00
<b>6</b>	<b><u>Agriculture</u></b>	
	General Revenue \$ 15,248,217	\$ 16,609,677
	Federal Funds 5,490,357	5,443,995
	Other Funds 15,354,316	15,695,405
	Total \$ 36,092,890	\$ 37,749,077
	444.85	423.30

## FY 2006 OPERATING BUDGET SUMMARY

<u>House Bill</u>	<b>FY 2005 Budget</b>	<b>FY 2006 TAFP</b>
<b>6</b>	<b><u>Natural Resources</u></b>	
	General Revenue \$ 8,521,062 \$	6,641,165
	Federal Funds 45,192,505	44,618,355
	Other Funds 275,220,522	275,700,354
	Total \$ 328,934,089 \$	326,959,874
		1,945.88
	1,987.12	
<b>6</b>	<b><u>Conservation</u></b>	
	General Revenue \$ 0 \$	0
	Federal Funds 0	0
	Other Funds 133,931,123	137,196,601
	Total \$ 133,931,123 \$	137,196,601
		1,871.61
	1,871.61	
<b>7</b>	<b><u>Economic Development</u></b>	
	General Revenue \$ 44,195,819 \$	40,696,717
	Federal Funds 163,389,259	163,032,156
	Other Funds 69,227,236	73,435,407
	Total \$ 276,812,314 \$	277,164,280
		1,438.54
	1,466.66	
<b>7</b>	<b><u>Insurance</u></b>	
	General Revenue \$ 0 \$	0
	Federal Funds 450,000	600,000
	Other Funds 13,884,932	13,848,508
	Total \$ 14,334,932 \$	14,448,508
		217.50
	218.50	
<b>7</b>	<b><u>Labor and Industrial Relations</u></b>	
	General Revenue \$ 2,661,426 \$	2,892,830
	Federal Funds 62,564,793	60,408,140
	Other Funds 92,970,038	102,476,778
	Total \$ 158,196,257 \$	165,777,748
		1,183.41
	1,184.41	
<b>8</b>	<b><u>Public Safety</u></b>	
	General Revenue \$ 45,507,763 \$	64,794,502
	Federal Funds 87,377,775	73,980,467
	Other Funds 245,269,735	249,120,123
	Total \$ 378,155,273 \$	387,895,092
		4,872.36
	4,865.36	
<b>9</b>	<b><u>Corrections</u></b>	
	General Revenue \$ 523,395,862 \$	516,768,254
	Federal Funds 7,813,835	8,139,981
	Other Funds 42,772,722	42,840,685
	Total \$ 573,982,419 \$	567,748,920
		11,312.02
	11,706.39	
<b>10</b>	<b><u>Mental Health</u></b>	
	General Revenue \$ 521,575,544 \$	516,408,237
	Federal Funds 415,464,229	420,634,421
	Other Funds 36,038,216	35,837,786
	Total \$ 973,077,989 \$	972,880,444
		9,157.95
	9,378.96	

## FY 2006 OPERATING BUDGET SUMMARY

<b>House Bill</b>	<b>FY 2005 Budget</b>	<b>FY 2006 TAFP</b>
<b>10</b>	<b><u>Health</u></b>	
	General Revenue \$ 81,195,589 \$	216,098,620
	Federal Funds 328,293,614	564,482,938
	Other Funds 51,869,965	51,777,756
	Total \$ 461,359,168 \$	832,359,314
	2,143.73	2,101.35
<b>11</b>	<b><u>Social Services</u></b>	
	General Revenue \$ 1,386,592,216 \$	1,260,393,802
	Federal Funds 3,456,087,243	3,344,596,550
	Other Funds 1,383,005,842	1,359,204,109
	Total \$ 6,225,685,301 \$	5,964,194,461
	8,589.20	8,524.11
<b>12</b>	<b><u>Elected Officials</u></b>	
	General Revenue \$ 42,966,148 \$	42,922,819
	Federal Funds 36,306,937	75,071,079
	Other Funds 42,502,451	44,248,716
	Total \$ 121,775,536 \$	162,242,614
	958.02	948.02
<b>12</b>	<b><u>Judiciary</u></b>	
	General Revenue \$ 140,830,307 \$	140,367,340
	Federal Funds 17,082,777	12,881,488
	Other Funds 9,206,966	9,212,166
	Total \$ 167,120,050 \$	162,460,994
	3,368.47	3,372.05
<b>12</b>	<b><u>Public Defender</u></b>	
	General Revenue \$ 28,463,282 \$	28,463,282
	Federal Funds 125,000	125,000
	Other Funds 1,218,134	1,968,134
	Total \$ 29,806,416 \$	30,556,416
	560.13	560.13
<b>12</b>	<b><u>General Assembly</u></b>	
	General Revenue \$ 31,352,538 \$	30,968,402
	Federal Funds 0	0
	Other Funds 192,691	192,691
	Total \$ 31,545,229 \$	31,161,093
	722.84	718.84
<b>13</b>	<b><u>Statewide Leasing</u></b>	
	General Revenue \$ 27,429,258 \$	24,965,502
	Federal Funds 17,068,557	13,607,866
	Other Funds 5,915,522	4,997,725
	Total \$ 50,413,337 \$	43,571,093
	0.00	0.00
	<b><u>Total Operating Budget</u></b>	
	General Revenue \$ 7,128,595,226 \$	7,159,055,003
	Federal Funds 5,855,534,106	5,970,943,434
	Other Funds 5,893,812,905	6,071,576,072
	Total \$ 18,877,942,237 \$	19,201,574,509
	61,254.55	60,244.72

## FY 2006 CAPITAL BUDGET SUMMARY

<u>House Bill</u>	<u>FY 2005 Budget</u>	<u>FY 2006 TAFP</u>	<u>FY 2007 TAFP</u>
<b>18</b>	<b><u>Capital Improvements - Maintenance and Repair (Biennial bill)</u></b>		
General Revenue	\$ 46,652,542	\$ 20,200,000	\$ 60,886,755
Federal Funds	3,673,388	3,025,002	3,025,000
Other Funds	<u>15,167,350</u>	<u>15,116,060</u>	<u>10,641,001</u>
Total	\$ <u>65,493,280</u>	\$ <u>38,341,062</u>	\$ <u>74,552,756</u>
<b>19</b>	<b><u>Capital Improvements - New Construction (Biennial bill)</u></b>		
General Revenue	\$ 625,044	\$ 12,455,015	\$ 1,245,510
Federal Funds	38,925,485	76,209,557	36,440,865
Other Funds	<u>35,237,216</u>	<u>28,196,687</u>	<u>28,438,487</u>
Total	\$ <u>74,787,745</u>	\$ <u>116,861,259</u>	\$ <u>66,124,862</u>
<i>*FY 2005 includes year 2 projects in HB 19 (2003 Session) and HB 1021 (2004 Session).</i>			
	<b><u>Capital Improvements - Combined Totals</u></b>		
General Revenue	\$ 47,277,586	\$ 32,655,015	\$ 62,132,265
Federal Funds	42,598,873	79,234,559	39,465,865
Other Funds	<u>50,404,566</u>	<u>43,312,747</u>	<u>39,079,488</u>
Total	\$ <u><u>140,281,025</u></u>	\$ <u><u>155,202,321</u></u>	\$ <u><u>140,677,618</u></u>

HB 33 -- OFFICIAL STATE AMPHIBIAN

This bill designates the North American Bullfrog as the official state amphibian.

HB 40 -- INDUSTRIAL DEVELOPMENT CORPORATIONS

Currently, members of the board of directors in industrial development corporations formed by municipalities in second classification counties must be voters and taxpayers in the municipality. This bill removes that requirement and allows the members to be voters and taxpayers in the county in which the municipality is located.

The bill contains an emergency clause.

HB 43 -- MEMORIAL HIGHWAY

This bill designates a portion of U. S. Highway 160 from State Route 76 to State Route 125 as the "Rick Harmon Memorial Highway."

SCS HCS HB 47 -- CONSOLIDATED PUBLIC LIBRARY DISTRICTS

This bill requires trustees of consolidated public library districts to reside in the library district as well as in the county they represent on the district board. Trustees in office as of August 28, 2005, who reside outside the district will be deemed to have vacated their trusteeships, and successors will be appointed.

The bill contains an emergency clause.

HCS HB 56 -- REFERRALS FOR HEALTH CARE SERVICES

This bill specifies that anti-kickback laws relating to referrals for health care services do not apply to certain programs established by pharmaceutical companies to provide financial assistance to individuals with chronic, potentially debilitating, or life-threatening conditions who have been prescribed disease-managing medications for which there is no generic equivalent.

CCS SS SCS HCS HB 58 -- POLITICAL SUBDIVISIONS

This bill changes the laws regarding political subdivisions. In its main provisions, the bill:

(1) Authorizes health care providers to be deployed to provide health care services if approved by the State Emergency Management Agency during an emergency declared by the Governor or General Assembly (Section 44.045, RSMo);

(2) Establishes a statewide mutual-aid system for emergencies and details the procedures and responsibilities for political subdivisions and participating agencies, including authorized mutual-aid agreements (Section 44.090);

(3) Raises from \$250 to \$1,000 the value of property for which the county auditor in counties of the first and second classification and the county department officer in counties of the third and fourth classification is required to inventory (Sections 49.093 and 55.160);

(4) Authorizes the county commissions in Jasper and Jefferson counties to impose by rule, regulation, or ordinance a civil fine of up to \$1,000 for each violation of any rule, regulation, or ordinance adopted by the commission (Section 49.272);

(5) Allows county officials' salaries to be computed on an assessed valuation basis without regard to modifications because of the existence of enterprise zones (Section 50.343);

(6) Designates the presiding commissioner of Cass County as the county budget officer. Currently, the county auditor serves as the budget officer (Section 50.530);

(7) Requires all county commissions without a purchasing agent to estimate county expenditures for supplies for the upcoming year. The commission may authorize the purchase of supplies at a public auction. No contract for a purchase is valid until the commission has approved a purchase order for the supplies for which bids were advertised and submitted (Section 50.760);

(8) Clarifies that "supplies" include materials, equipment, and contractual services but excludes regulated utility services (Section 50.770);

(9) Authorizes competitive bids to be waived by the county commission under emergency circumstances or when there is only a single, feasible source for the supplies. A proposed purchase of

(CONTINUED)

more than \$3,000 from a single, feasible source must be posted, and a proposed purchase of more than \$5,000 must be advertised (Sections 50.780 and 50.783)

(10) Authorizes the county commission to delegate its procurement authority to county departments provided that the department follows all the laws for purchasing, entering contracts, and keeping records (Section 50.784);

(11) Allows the board of the County Employees' Retirement System to determine if an additional benefit or enhancement improving the quality of life of future retirees is actuarially feasible. Benefit adjustments cannot be made until the retirement plan is 80% funded. Adjustments cannot be made more than once every 12 months and cannot increase the contribution rate by more than 1%. Adjustments, other than cost-of-living increases, will apply only to active employees (Sections 50.1030 and 50.1031);

(12) Allows county commissions to budget one-time expenditures directly attributable to any county office, department, or court in a common fund or account so that the expenditures do not appear in the budget of the office, department, or court (Section 52.317);

(13) Consolidates tax collection in counties having township organization by eliminating the position of township collectors and giving the responsibilities to the former treasurer ex officio collector, now called the "collector-treasurer." Laws generally applicable to county collectors will apply and govern county collector-treasurers except when they conflict with law specifically applicable to a county collector-treasurer, in which case, those laws will govern (Sections 54.010, 54.280, 54.320, 54.330, 65.110, 65.160, 65.460, 65.490, 65.600, 136.010, 136.160, 137.465, 137.585, 139.120, 139.350, 139.400, 139.420, 139.430, 139.440, 139.450, 139.460, 165.071, 242.560, 245.205, and 301.025);

(14) Defines "copying", "reproducing", and "duplicate copies" for purposes of Chapter 59, County Recorders of Deeds (Section 59.005);

(15) Specifies that when the recorder of deeds is separate from the circuit clerk in counties of the second, third, or fourth classification, the recorder must be paid the statutory compensation (Section 59.044);

(16) Changes the county planning board membership status of the county commissioner and county highway engineer in Cass County from voting members to nonvoting members (Section 64.215);

(CONTINUED)

(17) Requires that expenditures over \$5,000 by the county sports complex authority in Jackson County must be competitively bid (Section 64.940);

(18) Changes provisions relating to counties with a township form of government, including elections, requirements and tenure of elected officials, money required to be paid by township officials, resignation, pay for services of officials, filling of vacancies, frequency of meetings, and building bridges (Sections 65.030, 65.110, 65.150, 65.160, 65.180, 65.183, 65.190, 65.200, 65.220, 65.230, 65.300, 65.460, 65.490, 65.600, 65.610, and 231.230);

(19) Specifies that any moneys received or collected to fund additional costs incurred by any county office will be reviewed by the county budget officer when he or she is formulating the annual budget and will be used solely for the purposes outlined for each fund (Section 67.055);

(20) Specifies that an improvement cost, assessed by a reasonable assessment plan in a neighborhood improvement district determined by a governing body may include, in the case of condo or equitable owner association ownership, a determination that all units are equally benefitted (Section 67.459);

(21) Adds special assessments for neighborhood improvement districts to the laws regarding the collection of property taxes and other local taxes (Sections 67.469 and 140.150);

(22) Authorizes the City of Maryville to impose, upon voter approval, a transient guest tax of up to 5% on hotel and motel rooms (Section 67.1003);

(23) Changes the definition of "agency" in the provisions related to homeless assistance programs to include any entity which provides any service related to homeless persons, rather than just housing-related assistance, modifies the information required in an application for funds to help provide services to homeless persons, and changes the requirements for qualifying for funds (Sections 67.1062, 67.1069, and 67.1070);

(24) Specifies that when any tax, interest, or penalty imposed relating to the St. Charles County Convention and Sports Facilities Authority is not paid when due, the authority may file a notice of lien in the recorder's office and authorizes a civil action by the authority to enjoin the operation of any business or facility owing the tax or violating the provisions of the county convention and sports facilities authority laws (Section 67.1159);

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(25) Authorizes any city or county to levy a sales tax of up to 0.5%, upon voter approval. This tax must be in lieu of the economic development sales tax allowed by Sections 67.1300 and 67.1303 (Section 67.1305);

(26) Modifies the qualifications for membership on a community improvement district board in Springfield to be either: (a) an owner of real property within the district; (b) a legally authorized representative of a property owner; or (c) a registered voter within the district. In Springfield, if there are less than five owners of real property located within a district, the board may be comprised of up to five legally authorized representatives of the property owners (Sections 67.1401 and 67.1451);

(27) Allows metropolitan park and recreation district sales tax revenues earmarked for grants to be used to fund any recreation program or park improvement in St. Louis County (Section 67.1754);

(28) Changes the laws allowing all counties and the City of St. Louis to levy sale and property taxes for community services for children by clarifying that the sole purpose of the tax is to provide services to protect the well-being and safety of children and youth and to strengthen families (Sections 67.1775, 210.860, and 210.861);

(29) Specifies the jurisdiction of the regional taxicab commission. The regional taxicab commission may exercise jurisdiction over any person who engages in the business of transporting passengers in commerce, wholly within the regional taxicab district, in any motor vehicle designed or used to transport not more than eight passengers including the driver (Section 67.1809);

(30) Extends authority to all cities and counties in the state to develop geographic information systems (GIS) and authorizes charges for the use of the systems (Section 67.1850);

(31) Requires that expenditures over \$5,000 by the county executive in Jackson County must be competitively bid (Section 67.2555);

(32) Increases the percentage of people that must object to a proposed annexation from 2% to 5% of the qualified voters before additional procedures are required for annexation (Section 71.012);

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(33) Eliminates the requirement that the notice of a hearing for a proposed special business district be sent by registered or certified mail with a return receipt attached (Section 71.794);

(34) Allows an unincorporated area of the county that is to be used for a recycling facility to be annexed to the City of Eureka if the municipality and county adopt reciprocal ordinances (Section 79.600);

(35) Extends from August 28, 2004, to August 28, 2010, the expiration date for the laws regarding the removal of nuisances in the City of Hazelwood (Section 82.291);

(36) Provides that a neighborhood organization representing persons aggrieved by a Kansas City code violation may seek injunctive and other equitable relief in circuit court for abatement of a nuisance (Sections 82.301 - 82.305);

(37) Grants neighborhood organizations in the cities of St. Louis, Kansas City, and Springfield and the counties of Platte, Jefferson, and St. Louis standing to file nuisance actions against a nearby property owner when the owner fails to maintain his or her property (Section 82.1025);

(38) Prohibits, on or after January 1, 2006, the City of St. Peters from levying and collecting a license fee on hotels and motels in an amount exceeding \$1,000 per year and authorizes the city to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed one-eighth of 1% of the hotels' and motels' gross revenue. Other cities, including Edmundson and Woodson Terrace, are authorized to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed the greater of one-eighth of 1% of the hotels' and motels' gross revenue or the business license tax rate for the hotel or motel on May 1, 2005 (Section 94.270);

(39) Authorizes any city with a population of 100 or more to levy a transportation sales tax, upon voter approval. Currently, only cities with a population of 200 or more are authorized to levy this tax (Section 94.700);

(40) Authorizes the cities of Canton, La Grange, and Edina to impose a transient guest tax, upon voter approval, on all hotels and motels within their city limits. This tax cannot exceed 5% per occupied room per night and is to be used solely for promoting tourism (Section 94.837);

(41) Authorizes the City of Lamar Heights to impose, upon voter

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approval, a room tax of no more than 6% per night and a local sales tax on food of no more than 2%. These taxes will be used solely for capital improvements (Section 94.838);

(42) Establishes the Downtown Revitalization Preservation Program which allows any municipality with fewer than 200,000 residents to undertake redevelopment projects to reduce blight in their downtown-area if certain requirements are met (Sections 99.1080, 99.1082, 99.1086, 99.1088, 99.1090, and 99.1092);

(43) Adds junior college districts to the list of entities which must be notified of and receive payments in lieu of taxes from municipal industrial development projects involving the issuance of revenue bonds or the conveyance of municipal property. The bill also requires that, if the project plan is approved after May 15, 2005, in Franklin County, all affected taxing entities receive notice and payment in lieu of taxes (Sections 100.050 and 100.059);

(44) Adds health care providers under contract to provide services to patients at county jails to coverage under the State Legal Expense Fund (Section 105.711);

(45) Excludes from the definition of "public officer" as used in Chapter 115 (Elections) regarding city attorneys in cities of the third and fourth class (Section 115.013);

(46) Allows the Cass County Commission to submit the issue of the formation of a board of election commissioners to a public vote. Currently, this issue may only be submitted for voter approval by initiative petition (Section 115.019);

(47) Excludes from qualification as a candidate for public office any person who has been convicted of or pled guilty to a felony or misdemeanor under federal law (Section 115.348);

(48) Changes the application procedures for the Missouri Homestead Preservation Act for the elderly and disabled (Sections 135.010 and 137.106);

(49) Defines "business personal property" and requires taxing authorities to exclude from their total assessed valuation 72% of the total amount of business personal property that is the subject of an appeal at the State Tax Commission or in a court. If the taxing authority uses a multi-rate approach, this exclusion is made from the personal property class (Section 137.071);

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(50) Limits the amount of revenue derived from admission fees for gaming boats that the City of St. Charles may collect after Fiscal Year 2007 to the percentage of revenue attributable to admission fees for Fiscal Year 2006 (Section 137.073);

(51) Adds studio broadcast equipment, tower transmission and antenna equipment, and broadcast towers to the property tax depreciation schedules for broadcasting equipment (Section 137.078);

(52) Exempts motor vehicles leased for a period of one year to a religious, educational, or charitable organization from taxation for state, county, or local purposes (Section 137.100);

(53) Allows local government officials to accept cash, personal checks, business checks, money orders, credit cards, or electronic transfers of funds for the payment of any city or county tax or license. The local government may charge the person a fee equal to the amount charged to the county or city by the bank, processor, or issuer of the electronic payment (Sections 137.115, 139.040, 139.055, and 301.025);

(54) Creates a standardized schedule of depreciation and requires assessors to use it to establish uniformity in the assessment of depreciable tangible personal property. Business personal property placed into service before January 2, 2006, will not be affected by this provision (Section 137.122);

(55) Specifies that whenever an assessor or an employee has insufficient information to assess any real property or no taxable personal property list was submitted, he or she will assess the property based upon physical inspection. The assessor or an employee will have the right to enter into any lands for the purpose of assessing the real or personal property but may not enter the interior of a structure without permission. The bill also removes a similar duplicate version of this section passed in 1999 (Section 137.130);

(56) Changes the calculation of the amount of the transfer of certain county funds. Currently, counties are required to transfer from the county general revenue fund to the assessment fund an amount equal to an average of the three most recent years' payments. The bill requires that capital expenditures and equipment expenses identified in a memorandum of understanding signed by the county governing body and the county assessor be deducted from a year's contribution before computing the three-year average (Section 137.720);

(CONTINUED)

(57) Allows a county board of equalization to meet at least once a month for the purpose of hearing allegations on erroneous assessments and other errors. Currently, a board is required to meet monthly (Section 138.100);

(58) Eliminates the requirement that the territory contained within the corporate limits of an ambulance district be contiguous as long as it is within a five-mile radius of other district territory (Sections 190.010, 190.015, and 190.090);

(59) Allows fire protection districts in St. Louis County to choose to create an ambulance district under certain conditions if the boards of the participating fire protection districts approve by majority vote and the fire protection districts are contiguous (Section 190.015);

(60) Specifies that the election of the Warren County emergency services board members is to take place during the first municipal election in a calendar year (Section 190.292);

(61) Specifies that in Greene County any emergency telephone service 911 board appointed by a county which is in existence on the date the voters approve a sales tax will continue to exist and will have the same powers (Section 190.335);

(62) Allows nursing home districts in Marion and Ralls counties to offer apartments for senior citizens which provide housing, food services, and emergency call buttons to the residents (Section 198.345);

(63) Allows the county commissions in Cass and Cooper counties to submit a proposal to levy a tax to operate a county health center to a public vote. Currently, this issue may only be submitted for voter approval by initiative petition (Section 205.010);

(64) Prohibits the Missouri Housing Development Commission, beginning January 1, 2006, from awarding grants or loans to the City of Kansas City until the city's governing body implements oversight procedures to review expenditures and development plans for all housing contracts in excess of \$100,000 (Section 215.246);

(65) Modifies the duties and powers of the Missouri Penitentiary Redevelopment Commission (Section 217.905);

(66) Authorizes Worth County, upon voter approval, to levy and impose a tax not to exceed 25 cents per acre on agricultural and

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horticultural property for purchasing road rock on county roads (Section 231.444);

(67) Allows any county, upon voter petition and after a public hearing, to disincorporate any special road district (Section 233.295);

(68) Specifies that drainage and levee districts will have five years after their corporate charter lapses to reinstate and extend the time of corporate existence by the circuit court (Section 246.005);

(69) Requires water supply district board elections to be held in April and deems three consecutive unexcused absences from board meetings by a member to be a vacation of the seat (Sections 247.060 and 247.180);

(70) Provides a method whereby included counties may opt out of the Upper White River Basin Watershed Improvement District (Section 249.1150);

(71) Adds water supply districts to those entities that may sue landlords or tenants for past due bills less any security deposit amounts and requires those supplier entities to make a good faith effort to notify the property owner when the tenant's sewer or water bill is more than 30 days past due. The owner cannot be held liable for amounts due from the tenant for more than 90 days of service. In the cities of St. Louis and Kansas City, until January 1, 2007, owners cannot be held liable for more than 120 days of service and after that date owners cannot be held liable for more than 90 days of service. The water provider cannot be held civilly or criminally liable for terminating service due to the delinquency of the payment. This provision only applies to residences with their own private water and sewer lines (Section 250.140);

(72) Includes Schuyler and Worth counties in Section 263.245 which requires owners of land in certain counties to control all brush growing on their property that is designated as the county right-of-way or county maintenance easement and which is adjacent to any county road (Section 263.245);

(73) Eliminates the requirement that candidates for trustee of a watershed district live within the district (Section 278.240);

(74) Authorizes the issuance of an entertainment district special license to sell liquor by the drink from portable bars within the common areas of the entertainment district in historic

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downtown Kansas City and allows a person to carry drinks from one establishment to another within the district (Section 311.087);

(75) Allows towns and villages, in addition to cities and counties, to prohibit fireworks (Section 320.121);

(76) Changes the terms of fire protection district board members in St. Charles County from six years to four years over a period of time (Section 321.120);

(77) Prohibits fire district board members from being paid more than one attendance fee per week if the member attends more than one meeting in a calendar week (Sections 321.190 and 321.603);

(78) Allows the board of a fire protection district to create an ordinance, rule, or regulation allowing the district to charge individuals who reside outside of the district but who receive services within the boundaries of the district for the actual and reasonable costs of the services received (Section 321.220);

(79) Specifies that the City of Harrisonville will be governed by Section 72.418 regarding city reimbursement to the fire protection district (Section 321.322);

(80) Specifies the requirements that the board of an industrial development corporation in Lewis County must meet (Section 349.045);

(81) Allows water companies to contract with sewer providers to terminate service for delinquent accounts. The City of St. Louis and St. Louis County are exempted from this provision (Sections 393.015 and 393.016);

(82) Lengthens the time from one month to six months that a property has to be unoccupied before a person may petition to have it declared abandoned (Sections 447.620, 447.622, 447.625, and 447.640);

(83) Authorizes public administrators in counties of the second, third, and fourth classifications to delegate their duties to deputies (Sections 473.770 and 473.771);

(84) Changes the number of judges in the 11th judicial circuit in St. Charles County and the 17th judicial circuit in Cass County (Sections 478.570 and 478.600);

(85) Authorizes Springfield to collect additional court costs of up to \$5 for municipal ordinance violations (Section 488.2220);

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(86) Restores sovereign immunity for the proprietary functions of multi-state compact agencies (Section 537.600);

(87) Authorizes municipal courts to contract with a public entity or employ a person to serve as the city's probation officer (Section 559.607);

(88) Authorizes conveyances in Buchanan, St. Francois, Iron, Cole, and Lafayette counties (Sections 1, 2, 5, 6, and 7);

(89) Transfers the responsibility of computing county officials' salaries to the county salary commissions (Section 3); and

(90) Authorizes Madison County to impose, upon voter approval, a local sales tax up to 1% for public recreational projects and programs, including land acquisition (Section 4).

#### SS SCS HCS HB 64 -- SALES TAX HOLIDAY

This bill extends the current state and local sales and use tax holiday for certain clothing, personal computers, and school supplies purchased for personal use during a three-day period each August. The bill does not apply to retailers when less than 2% of their sales are for qualifying merchandise during the holiday. For the 2005 sales tax holiday, the ability for local governments to opt out of the holiday is limited to those that opted out in 2004. After the 2005 sales tax holiday, any political subdivision may adopt an ordinance or order to opt out of the holiday.

The bill contains an emergency clause.

#### HB 69 -- DOMESTIC INSURER INVESTMENTS

This bill allows domestic insurers to invest their capital, reserve, and surplus in bonds; notes or other evidences of indebtedness; or preferred or guaranteed stocks or shares issued, assumed, or guaranteed by a corporation, a joint stock company, an association, a trust, a business partnership, a business joint venture, and other similar entities. These investments must carry at least the second highest designation rating by the National Association of Insurance Commissioners or a nationally recognized rating agency approved by the Department of Insurance. Life insurance company investments in corporations must also meet the requirements of Sections 375.1070 to 375.1075, RSMo, regarding outlines for investing in medium or lower quality institutions.

HB 114 -- KANSAS CITY TRANSPORTATION SALES TAX

This bill extends the expiration date of the Kansas City transportation sales tax to December 31, 2015.

SS HB 116 -- RIGHTS OF PERSONS WITH SERVICE DOGS

This bill defines "service dog" as a dog specially trained to do work or perform tasks which benefit a person with a disability. Any person who causes the physical injury or death or fails to control their animal which causes the physical injury or death of a service dog is guilty of a class A misdemeanor. Any person who harasses a service dog or fails to control their animal which harasses a service dog preventing the dog from performing its duties is guilty of a class B misdemeanor. Civil damages may be recovered by the service dog owner or the person with a disability who uses the service dog.

Anyone who impersonates a person with a disability for the purpose of receiving the accommodations afforded service dogs under the Americans with Disabilities Act is guilty of a class C misdemeanor and liable for any actual damages resulting from the impersonation. Any subsequent violation is a class B misdemeanor.

The bill contains an emergency clause.

HCS HB 119 -- STATE EMPLOYEES LIFE INSURANCE

This bill allows state employees and retirees who are called to military service in times of active armed warfare to retain life insurance benefits for the entire duration of deployment, subject to the terms and conditions of any life insurance policy in place. Employees or retirees who retain this insurance while deployed must pay for the cost of coverage.

The bill contains an emergency clause.

HB 127 -- FIRE PROTECTION DISTRICT BOARDS

This bill limits to one per calendar week the attendance fees that fire protection district board members can receive for attending board meetings.

HB 155 -- MEMORIAL HIGHWAY

This bill designates a portion of State Highway E in McDonald County from the Arkansas state line north to State Highway 76 as the "Albert Brumley Memorial Highway."

HCS HB 163, 213 & 216 -- VETERANS' MEDALLION PROGRAMS

Currently, any World War II veteran who wants to receive a medallion, medal, and certificate of appreciation must have been a Missouri resident before August 28, 2000, and must have made application for the medals prior to July 1, 2004. Veterans of the Korean War who want to receive the medallion, medal, and certificate of appreciation must have been Missouri residents before August 28, 2003, and must have made application for the medals prior to January 1, 2005.

This bill allows veterans of World War II or the Korean War to receive the medals of appreciation as long as they are a resident of Missouri, had been a resident at the time of entering or being discharged from the military, or had been a resident at the time of death. The application deadlines for both medical programs are removed.

In both programs, the bill requires that the medallions, medals, and certificates be awarded until the supply is exhausted. When there are fewer than 100 medallions, medals, and certificates for either program, the Adjutant General must notify the General Assembly.

The bill contains an emergency clause.

HCS HB 174 -- REAL ESTATE LICENSES

This bill requires license revocation or, in the case of an applicant, prohibits the issuance of a real estate license if the licensee or applicant has been found guilty of certain felonies.

The term "exclusive brokerage agreement" is added to the laws regarding real estate agents and brokers allowing a broker to act as the exclusive limited agent on behalf of their client provided that the parties have entered into a written agency agreement. Certain services which must be provided by a broker who has entered into an exclusive brokerage agreement are specified.

SS SCS HCS HB 186 -- LOCAL GOVERNMENT

This bill changes the laws regarding local government. In its main provisions, the bill:

- (1) Requires moneys received or collected to fund additional costs incurred by any county office to be reviewed by the county budget officer when he or she is formulating the annual budget and is to be used solely for the purposes outlined for each fund (Section 67.055, RSMo);
- (2) Specifies that an improvement cost, assessed by a reasonable assessment plan in a neighborhood improvement district determined by a governing body may include, in the case of condo or equitable owner association ownership, a determination that all units are equally benefitted (Section 67.459);
- (3) Authorizes the City of Maryville to impose, upon voter approval, a transient guest tax of up to 5% on hotel and motel rooms (Section 67.1003);
- (4) Changes the definition of "agency" to include any entity which provides any service related to homeless persons, rather than just housing-related assistance; eliminates the provisions requiring the inclusion of evidence that an agency is a nonprofit corporation when applying for funds to help provide homeless people with services; and changes requirements for agencies to qualify for funds (Sections 67.1062, 67.1067, 67.1069, and 67.1070);
- (5) Authorizes a lien on property against the real and personal property of a business when any tax, interest, or penalty imposed under the County Convention and Sports Facilities Authority in St. Charles County becomes delinquent. Provisions to release the lien are provided (Section 67.1159);
- (6) Authorizes all municipalities and counties to impose, upon voter approval, a local economic development sales tax not to exceed 0.5% (Section 67.1305);
- (7) Revises the laws regarding certain counties with significant lake shoreline, upon voter approval, to authorize the imposition of one or more retail sales taxes not to exceed 1.5% in the aggregate for the purpose of affecting water quality, infrastructure, or tourism, singularly or in any combination. Currently, they are authorized to impose a single retail sales tax not to exceed 1.5% (Sections 67.1922 and 67.1934);

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(8) Allows cities, in addition to counties, to levy a sales tax, upon voter approval, for the purpose of providing services described in Section 210.861 including counseling, family support, and temporary residential services to persons 19 years of age or younger. The bill modifies some of the ballot language to allow for the lawful collection of the revenues derived from the local sales tax. All revenues collected under the local sales tax, less 1% for the cost of collection, will be deposited into the General Revenue Fund and then transferred to the newly created Community Children's Services Fund (Sections 67.1775, 210.860, and 210.861);

(9) Allows for an imposition of property tax of 25 cents on each \$100 of assessed valuation on taxable property for services for the purpose of providing counseling, family support, and temporary residential services to persons 18 years of age or younger and those services described in Section 210.861. Currently, this section provides for the same 25-cent property tax to be levied for the purpose of providing counseling, family support, and temporary residential services to persons 18 years of age or younger. Revenues derived from the tax will be deposited into the county treasury to the credit of the Community Children's Services Fund to provide funds for counseling and related services to children and youth in the county which will promote healthy lifestyles among children and youth and strengthen families (Sections 67.1775, 210.860, and 210.861);

(10) Restructures the board of directors for the tourism districts and recalculates the dispersion of sales taxes in the districts (Sections 67.1956, 67.1959, 67.1968, and 67.1979);

(11) Authorizes the City of Independence, upon voter approval, to impose a sales tax in increments of one-eighth of 1% up to a maximum of 2% on all retail sales of food within the city to be used for museums and tourism-related activities. Museum and tourism-related activities that will qualify for the tax revenue are specified as well as the method of collecting the tax. A procedure is established for the repeal of the tax (Section 82.850);

(12) Authorizes the City of Excelsior Springs to levy a tax of 30 cents on each \$100 of assessed valuation on taxable property for hospital, public health, or museum purposes in lieu of the current 20 cents (Section 94.070);

(13) Limits the City of St. Peters' hotel and motel license tax to \$1,000 a year, per hotel, beginning January 1, 2006, and allows up to a 5% increase in the hotel and motel license tax a year (Section 94.270);

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(14) Increases from .5% to 1%, a transportation sales tax that the City of St. Louis and St. Louis County may propose, by order or ordinance, upon voter approval (Section 94.660);

(15) Revises the definition of "city" to mean any incorporated city, town, or village in Missouri with a population of 100 or more (Section 94.700);

(16) Authorizes the cities of Canton, La Grange, and Edina to impose a transient guest tax, upon voter approval, on all hotels and motels within their city limits. This tax cannot exceed 5% per occupied room per night (Section 94.837);

(17) Authorizes the City of Lamar Heights to impose, upon voter approval, a room tax of not more than 6% per night and a local sales tax on food of not more than 2%. These taxes will be in addition to any other taxes authorized by law and used solely for capital improvements. This section contains an emergency clause (Section 94.838);

(18) Requires all amounts paid in excess of actual costs for an industrial development project in Franklin County to be disbursed to each affected taxing entity in proportion to the current ad valorem tax levy of each taxing entity, if the plan for the project is approved after May 15, 2005, and requires that information about junior college districts, in addition to school districts, counties, and cities, be included with a project plan for an industrial development project (Sections 100.050 and 100.059);

(19) Establishes the Homestead Exemption tax credit; prohibits a claimant from receiving the homestead exemption credit in a year following the year in which the claimant received the property tax credit; extends the homestead exemption credit to property owned in trust; and provides an exception to the disqualification for improvements made to property which exceed 5% of the prior year's appraised value for improvements made to accommodate a disabled person for applications filed after 2005. The homestead exemption limit for claims filed in 2005 and 2006 will be based on the increase in tax liability from 2004 to 2005. Currently, the homestead exemption is based on the increase to tax liability from the prior year. The bill moves this back an additional year. An eligible owner who otherwise satisfies the requirements for receiving a homestead exemption will not apply for the credit more than once during the period ranging from April 1, 2005, to September 30, 2006. If the collector of a county determines that an individual is ineligible prior to issuing the credit, the credit will be void and any corresponding moneys will lapse to

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the state to be credited to the General Revenue Fund. After 2005, the .25% distributed to the county assessment funds is terminated (Sections 135.010 and 137.106);

(20) Limits the amount of revenue from admission fees for gaming boats that the City of St. Charles may collect after Fiscal Year 2008 to the percentage of revenue attributable to admission fees for Fiscal Year 2007 (Sections 137.073 and 313.820);

(21) Exempts motor vehicles leased for a period of one year or more to a religious, educational, or charitable organization from state, county, and local taxation (Section 137.100);

(22) Removes the term "solely" from the requirement for nonprofit, social, service, and fraternal organizations to be exempt from sales tax (Section 144.030);

(23) Establishes a partial sales tax exemption for the sale of modular units. The manufacturer of modular units will be considered the contractor for use tax purposes, and the tax will be computed on the use tax rate where the modular unit is being placed (Section 144.044);

(24) Exempts machine or parts for machines used in a commercial, coin-operated amusement and vending business where sales tax is paid on the gross receipts derived from the use of the machines (Section 144.518);

(25) Establishes the African-American History Museum and Cultural Subdistrict under the metropolitan zoological park and museum district (Sections 184.352 and 184.353);

(26) Authorizes, upon voter approval, an increase in the property tax rate for certain history museum subdistricts (Section 184.357); and

(27) Authorizes Madison County to impose, upon voter approval, a sales tax for public recreational projects and programs (Section 1).

SS SCS HCS HB 209 -- SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS BUSINESS LICENSE TAX AND THE STATE HIGHWAY UTILITY RELOCATION ACT

This bill authorizes the simplified municipal telecommunications business license tax. After July 1, 2006, any municipality may impose this tax on a telecommunications company for the privilege

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of doing business within its borders. The telecommunications company may pass the tax onto its retail customers only if the company itemizes the tax on the customer's bill. The Director of the Department of Revenue will publish a list of the municipalities imposing this tax.

The maximum rate of the gross receipts percentage for any municipality is 5% unless the actual calculated rate is greater than 5%. If the calculated rate is greater than 5%, the maximum rate of the gross receipts percentage for the municipality is adjusted to be revenue neutral based on revenues collected and forecasted for July 1, 2006, to June 30, 2008; half of the difference between the determined rate and 5% for July 1, 2008, to June 30, 2010; and 5% for July 1, 2010, and thereafter.

The bill establishes the State Highway Utility Relocation Act; changes the law regarding highway right-of-ways; establishes a procedure for the relocation of utilities from highway right-of-ways in connection with highway construction projects; and allows certain utility companies and services, including cable television and Internet services, to place their facilities or systems within the right-of-ways of any state highway, county road, or other political subdivision. This portion of the bill has an effective date of January 1, 2006, and does not apply to construction projects having a letting date prior to December 31, 2005.

Upon completion of the initial design of a construction project, the Highways and Transportation Commission will provide at least one set of project plans to each owner of a utility facility showing the location of the owner's utility facilities and the utility facilities of other owners in relation to the work required for the project.

Within 120 days of receiving the completed project plan from the commission, the owner will provide the commission with a relocation plan. The plan will include a description of work to be done in relocating the owner's utility facilities and whether the work or a portion of the work must be coordinated with or is contingent upon work being performed by other utility owners or the contractor of the commission. The plan will specify when the work will start and the number of days estimated to complete the work.

The commission will review the plan to ensure compatibility with permit requirements, the project plan, and the anticipated bid letting date and notice to proceed for the project. The commission will notify the owner in writing within 30 days of

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receiving the plan whether it is acceptable. The removal and relocation of utility facilities will be at the owner's expense unless otherwise provided for by the commission. If the owner fails to relocate its utilities in accordance with the relocation plan, the commission may remove and relocate the facilities at the expense of the owner.

Any home rule city having a population of 60,000 or greater or any charter county of the first classification may adopt ordinances or regulations consistent with the bill regarding the relocation of utility facilities located within the right-of-way of streets, highways, or roads under their respective jurisdiction. Any ordinance, policy, resolution, or regulation adopted must not infringe upon, negate, or otherwise abrogate an owner's right to construct, own, operate, and maintain utility facilities within the right-of-ways of the political subdivision that the owner had prior to the adoption of the ordinance, policy, resolution, or regulation.

#### HCS HB 215 -- ANNEXATION AUTHORIZATION

This bill permits the City of Warrensburg to annex areas along a road or highway up to 2.5 miles from the existing city boundaries.

#### HB 219 -- READING ROOM DESIGNATION

This bill requires the Secretary of State to designate a reading room located within the Missouri State Archives as the "Alex M. Petrovic Reading Room."

#### SCS HB 229 -- HOMESTEAD PROPERTY TAX EXEMPTION

This bill changes the application procedures for the Missouri Homestead Preservation Act for the elderly and disabled. The percentage limit for applications filed in 2005 and 2006 is based on the increase to tax liability from 2004 to 2005; and the limit for applications filed after 2006 is based on the increase to tax liability from the two years prior to the application to the year immediately prior to the application. An applicant satisfying the requirements of this credit between April 1, 2005, and September 30, 2006, may only apply once for the credit during

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this time period. The county assessors must provide a list to the Department of Revenue of verified eligible homeowners who made improvements to their homesteads, not for accommodation of a disability to the homestead, and the dollar amount of the assessed value of the improvements by January 15 each year.

The definition of "eligible owner" has been revised to include property held in trust. An individual entitled to the tax credit must currently reside in the homestead and, except for the transfer of this property into a trust, satisfy the age, ownership, and income requirements.

In the case of ownership of the homestead by trust, the income of the creator of the trust will be imputed to determine the income of the trust regarding the maximum upper limit.

The bill specifies that an individual is prohibited from claiming both the circuit breaker income tax credit and the homestead property tax exemption credit.

#### SCS HCS#2 HB 232 -- PATIENT HEALTH CARE RECORDS

Currently, health care providers are allowed to charge a handling fee of \$15 plus 35 cents per page to copy a patient's health care record. This bill allows health care providers to charge and condition the furnishing of the records on the payment of this fee. The bill changes the fee to include copying charges of not more than \$17.05 plus 40 cents per page for the costs of supplies and labor, postage, and notary fees of up to \$2.

#### HB 236 -- NATIONAL GUARD ARMORY DESIGNATION

This bill designates the new armory located in Pierce City, Lawrence County, as the "Lawrence A. Witt National Guard Armory."

#### HB 243 -- MEMORIAL HIGHWAY

This bill designates a portion of U. S. Highway 63 in Phelps County as the "Korean War Veterans Association Memorial Highway." The intersection of U. S. Highway 63 and the parallel 38 degrees north latitude will be designated as the "38th Parallel" by signs.

HB 248 -- MOTOR VEHICLE TIME SALES

This bill allows lenders of motor vehicle time sale loans to collect a fee in advance for permitting the debtor to defer monthly loan payments on loans of \$600 or more. The fee may be between \$25 and \$50 but not more than 10% of the payments deferred. The debtor must agree to this fee in writing. If an extension is made, the debtor must pay a monthly payment before any further extensions are permitted. The original loan terms must remain the same.

This provision does not apply to pre-computed loans.

HB 258 -- SCHOOL DISTRICT CENSUS REQUIREMENTS

This bill removes the requirement that school districts take an annual census of children with disabilities up to age 21, removes obsolete provisions concerning funding for the census, and removes references to the repealed sections.

HB 260 -- CONVEYANCE IN COLE COUNTY

This bill authorizes the Governor to convey state property located in Cole County to the Regional West Fire District in Cole County.

The bill contains an emergency clause.

HB 261 -- MISSOURI LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

This bill creates two new benefit options in the Missouri Local Government Employees' Retirement System (LAGERS).

Members covered by the new benefit programs will receive a benefit equal to 1.75% of the member's final average salary multiplied by the number of years of creditable service. Certain members retiring due to early retirement, 80 and out, or mandatory retirement will receive a temporary allowance equal to .25% of the member's final average salary multiplied by the number of years of creditable service. This temporary benefit will terminate at the end of the calendar month in which the member dies or attains age 65.

After August 28, 2005, political subdivisions may not elect coverage under the two eliminated programs.

HCS HB 276 -- SPECIAL EDUCATION PROCEDURES

This bill changes the laws regarding special education to comply with the recent reauthorization of the federal Individuals with Disabilities Education Act (IDEA). Currently, challenges to decisions about certain disciplinary placements require the child to remain in the interim placement until the challenge is resolved or the interim period elapses, whichever is earlier. Parents and the school are permitted to reach an agreement that does not follow this restriction. Serious bodily injury is added to the list of reasons for disciplinary action that may result in an interim alternative setting, which parents may challenge.

Mediation must be offered to parents and the school before a request for a hearing; currently, it is available after a hearing is requested. The bill clarifies that mediation agreements must be signed by the parties and specifies who may sign for the school. These agreements are legally binding and enforceable in state and federal court.

Due process hearing requests and responses to requests must conform to the IDEA. The chair of the hearing panel or the hearing officer may determine sufficiency and must implement the process and procedures relating to sufficiency of notice. The school must call a preliminary meeting, referred to as a resolution session, which must follow federal guidelines in its procedures and for any resulting agreement.

HB 280 -- PHYSICALLY DISABLED VOTERS

Currently, election judges must take, when time permits, voting ballots and equipment to physically disabled voters who are unable to enter polling places. This bill removes the condition of "when time permits."

CCS SCS HCS HB 297 -- ELEMENTARY AND SECONDARY EDUCATION

This bill changes the laws regarding elementary and secondary education.

REPORT CARDS

Currently, school districts are required to produce an annual accountability report card for each school building, distribute

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copies to the households with students, and make copies available to other members of the public upon request. This bill transfers the responsibility for producing the report card to the Department of Elementary and Secondary Education, specifying that there will be report cards for each district, each public school building in a district, and each charter school. The report card will be designed to satisfy federal and state statistical disclosure requirements about academic achievement, finances, staff, and other indicators. Districts must provide the report card information by December 1, or as soon as it is ready, and give preference to distribution methods that will include the information with other important information, such as student report cards.

#### TEACHERS AND PRINCIPALS

Currently, the definition of "teacher" for the purposes of tenure includes certified teachers who teach at the pre-kindergarten level. The bill clarifies that these teachers must be teaching in pre-kindergarten programs for which no fees are charged. The superintendent's supervision of the City of St. Louis district schools is subject to policies established by the school board, rather than subject to the control of the board, and the permissible length of the superintendent's contract is raised. Currently, the hiring of a treasurer, a commissioner of school buildings, and a director of personnel is required. The bill makes the hiring of these positions permissive. The requirement that the district's teaching appointments and promotions be based on merit is extended to all employee appointments and promotions. The remaining references to principals are removed from the City of St. Louis tenure statute.

#### SCHOOL DISTRICTS

Currently, when a school district participates in the Career Ladder Program, it must match state funds on a sliding scale based on the assessed valuation per eligible pupil. The bill permits any district that opted out of the program between July 1, 2001, and July 1, 2005, to rejoin by July 1, 2006, at the same matching level it qualified for when it last participated in the program.

#### HB 323 -- KANSAS CITY POLICE AND CIVILIAN EMPLOYEES' RETIREMENT SYSTEM

This bill recodifies the laws regarding the Police Retirement

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System of Kansas City and the Civilian Employees' Retirement System of the Police Department of Kansas City. The provisions of law regarding the police plan and the civilian employees' plan are replaced with new sections to remove outdated language and practices making the plan provisions easier to understand. In its main provisions, the bill:

- (1) Adds a definition for "consultant";
- (2) Removes the requirement that the purchase of prior military service had to be completed during the first two years of service;
- (3) Removes the reference to hospitalization and medical care costs pertaining to supplemental benefit payments received;
- (4) Clarifies that any member who is convicted of a felony prior to separation from active service will not be entitled to any benefit from this retirement system except the return of the member's accumulated contributions; and
- (5) Adds a provision to allow civilian employees to purchase creditable prior service any time prior to retirement if they have a minimum of three years of prior service.

#### HB 342 -- BOARDS OF ELECTION COMMISSIONERS

This bill allows the Cass County Commission to submit the formation of a board of election commissioners to a public vote. Currently, this issue can only be submitted for voter approval by initiative petition.

#### HB 345 -- COUNTY PLANNING BOARDS

This bill changes the county planning board membership status of the county commissioner and county highway engineer in Cass County from voting members to nonvoting members.

#### HCS HB 348 -- MILITARY FACILITIES AND PERSONNEL

This bill establishes the Missouri Military Preparedness and Enhancement Commission to design and implement measures to

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protect, retain, and enhance the present and future mission capabilities of military posts and bases around the state.

The commission's duties will include preparing a biennial strategic plan and an annual report. The nine-member commission will meet quarterly or more often if deemed necessary by the chair. Funding for the commission will be by appropriation, and the Department of Economic Development will provide administrative support staff.

The governing body or the county planning commission of Johnson County must provide for the planning and zoning within the unincorporated area that extends 3,000 feet outward from the boundaries of Whiteman Air Force Base and the area within the perimeter of accident potential zones one and two.

For the purpose of student resident status, military personnel stationed in Missouri, as well as their spouses and unemancipated children, will be regarded as Missouri residents.

The bill contains an emergency clause.

CCS SS SCS HCS HB 353 -- CRIME

This bill changes the laws regarding crime prevention. In its main provisions, the bill:

- (1) Removes a provision requiring defendants to be sentenced according to the law in place at the time of sentencing, rather than the law as it existed at the time of the crime, whenever the change in law reduced the penalty for the offense (Section 1.160, RSMo);
- (2) Authorizes Missouri Capitol Police officers to investigate and arrest a person anywhere in Cole County when there is probable cause to believe the person committed a crime within their jurisdiction (Section 8.177);
- (3) Creates the Governor's Security Division within the State Highway Patrol. The division will provide transportation, security, and protection for the Governor, the Governor's family, and, at the discretion of the Superintendent of the State Highway Patrol, other public officials (Sections 43.300 - 43.330);
- (4) Allows local law enforcement agencies to perform a criminal record review of open records through the Missouri Uniform Law

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Enforcement System (MULES) on persons applying for city or county employment (Sections 43.535 and 43.543);

(5) Allows cities and counties to enact ordinances requiring fingerprints of job applicants or licensees in certain occupations for the purpose of conducting a criminal record review (Section 43.543);

(6) Prohibits any person convicted of a federal crime from qualifying as a candidate for an elective public office (Section 115.348);

(7) Adds salvia divinorum and 12 other compounds to the list of controlled substances and clarifies which forms of anabolic steroids are included within schedule II controlled substances (Section 195.017);

(8) Gives the juvenile court concurrent jurisdiction with the circuit court in cases involving children younger than 17 years of age who violate state or municipal ordinances prohibiting the possession or use of tobacco products (Section 211.031);

(9) Requires lifetime supervision by the Board of Probation and Parole for any person convicted of certain sex offenses when the victim is younger than 14 years of age and the offender is sentenced as a prior sex offender. These offenders must be electronically monitored using a global positioning system (Sections 217.735 and 559.106);

(10) Adds failure to register as a sex offender to the list of violations for which the board provides supervision services (Section 217.750);

(11) Removes a requirement that the municipal judge must be an attorney for any conviction for an intoxication-related offense in that municipal court to be considered for the purposes of sentence enhancement in any subsequent conviction (Sections 302.321 and 302.541);

(12) Increases the penalty from a class C to a class B misdemeanor for failure to yield to an emergency vehicle; (Section 304.022);

(13) Adds chemical urine tests to the list of tests that may be conducted by the State Water Patrol to measure the blood-alcohol content of a person operating a watercraft, increases from \$200 to \$500 the damage amount that requires the filing of an accident report when there is damage to a watercraft, and prohibits the

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use of any device that, when activated, allows a watercraft's muffler to exceed the maximum decibel levels allowed by law (Sections 306.112 - 306.147);

(14) Removes the requirement that photographs taken pursuant to a search warrant must be filed with the court clerk after the search is conducted (Section 542.276);

(15) Allows law enforcement agencies to hold a suspect arrested without a warrant for up to 24 hours before charging the person with a crime. Currently, suspects may be held for 24 hours when arrested for a class A felony and 20 hours for lesser offenses (Section 544.170);

(16) Removes the provision allowing first-time offenders convicted of a class C or class D nonviolent felony to petition the court for early release after serving at least 120 days (Section 558.016);

(17) Removes a provision allowing the board to convert an offender's consecutive prison sentences into concurrent sentences (Section 558.019);

(18) Allows the court to add up to one year onto a person's probationary period when the person has violated the terms of his or her probation (Section 559.016);

(19) Allows a prosecutor to file a motion seeking the revocation of a person's probation and allows the court to temporarily suspend a person's probationary period when issuing an arrest warrant for the person (Section 559.036);

(20) Creates the crime of sexual contact with a student, a class D felony. The crime is committed when a teacher has sexual contact with a student on school property (Section 566.086);

(21) Removes financial conflict of interest restrictions on sex offender counseling program providers when there is only one qualified service provider within a reasonably accessible distance from the offender (Section 566.140);

(22) Expands the crime of endangering the welfare of a child in the first degree, a class C felony. Currently, a person commits the offense if he or she produces or sells methamphetamine in the presence of a child younger than 17 years of age. The crime is expanded to include producing, selling, or attempting to produce the drug within the residence of the child (Section 568.045);

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(23) Expands the crime of endangering the welfare of a child in the second degree, a class A misdemeanor. The offense is committed when a person operating a motor vehicle commits involuntary manslaughter, assault in the second degree, driving while intoxicated, or driving with excessive blood-alcohol content while a child younger than 17 years of age is in the vehicle; (Section 568.050);

(24) Expands the crime of arson in the first degree to include damage to a structure by fire or explosion resulting from an attempt to produce methamphetamine (Section 569.040);

(25) Changes the crime of illegal copying and distribution of sound recordings by lowering the threshold for a felony from 1,000 illegal copies to 100 illegal copies (Section 570.255);

(26) Expands the crime of theft of cable television service to include when a person knowingly attempts to tamper with any cable television equipment which results in the disruption or unauthorized use of a cable television system (Section 570.300);

(27) Creates the crime of tampering with electronic monitoring equipment, a class C felony. The crime is committed when a person intentionally removes or tampers with an electronic monitoring device which is required to be worn by a criminal offender, pursuant to a court order or as required by the Board of Probation and Parole (Section 575.205);

(28) Creates the crime of violating a condition of lifetime supervision, a class C felony. The crime is committed when a person knowingly violates a condition of lifetime supervision by the board for any person convicted of certain sexual offenses (Section 575.206);

(29) Clarifies that the crime of witness tampering does not require that the prospective witness does need to be testifying in an official proceeding in order for the crime to occur (Section 575.270);

(30) Expands the crime of misuse of official information to include the reckless disclosing of information from the MULES or the National Crime Information Center System for personal or private use (Section 576.050);

(31) Creates the crimes of possessing and distributing a prescription medication school property without a valid prescription. Possession is a class C misdemeanor, and distribution is a class B misdemeanor (Sections 577.625 and 577.628);

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(32) Creates the crimes of possessing and distributing a prescription medication on school property without a valid prescription. Possession is a class C misdemeanor, and distribution is a class B misdemeanor (Sections 577.625 and 577.628);

(33) Makes it a class A misdemeanor to operate a video camera within a motion picture theater without the consent of the theater owner. A second or subsequent offense is a class D felony. The owner of the movie theater is exempt from civil liability for detaining a person suspected of the offense, as long as the detention is reasonable (Section 578.500); and

(34) Allows the Director of the Department of Public Safety to establish a state firearms training and qualification standard for retired law enforcement officers to comply with the federal Law Enforcement Officers Safety Act (Section 650.030)

The bill also changes the laws regarding the crimes of stealing, tampering, and receiving stolen property. The bill:

(1) Allows the court to order restitution be paid to the victim of tampering or auto theft, including the victim's insurance deductible payment, towing and storage fees, and any reasonable expenses incurred by the victim in prosecuting the offense (Section 559.105);

(2) Prohibits the court or the Board of Probation and Parole from releasing a person early from probation or parole if the person has failed to pay restitution (Section 559.105);

(3) Makes evidence of prior acts of tampering admissible to prove the requisite knowledge or belief in a current tampering case (Section 569.080);

(4) Makes tampering in the second degree a class C felony when the person has a prior conviction for tampering in the first or second degree, auto theft, or receiving stolen property (Section 569.090);

(5) Expands the crime of stealing to include obtaining control over property or services under circumstances that a reasonable person would know it was stolen and clarifies that the crime occurs when undercover police are posing as the sellers of stolen property (Section 570.030); and

(6) Makes auto theft a class B felony when the person has two prior convictions for stealing-related offenses (Section 570.040).

Sections 407.1355, 566.083, 750.223, and 595.210 of the bill contain an emergency clause.

HCS HB 365 -- COUNTY SHERIFF'S REVOLVING FUND

This bill removes the provision in Section 50.535, RSMo, which requires all moneys in a county sheriff's revolving fund to be used only for the purchase of equipment and to provide training for law enforcement officers. County sheriffs will be allowed to use moneys in the fund to cover the costs associated with the processing of concealed carry endorsements. If the actual expenses in a given year exceed the revenue generated by the statutory maximum application fee of \$100, a sheriff may present specific and verified evidence of the unreimbursed expenses to the Office of Administration. Upon certification by the Attorney General, the Office of Administration will reimburse the sheriff from an appropriation made for that purpose.

The bill contains an emergency clause.

HCS HB 379 -- COMPENSATION FOR FINANCIAL INSTITUTION REGULATORS

This bill exempts, from merit system rules, those positions in the divisions of Finance and Credit Unions in the Department of Economic Development which are compensated through a dedicated fund obtained from assessments and license fees used for the examination and regulation of banks, trust companies, and credit unions.

The directors of these divisions will prepare a salary schedule for those positions. A comparison with similar positions at federal regulatory agencies will be completed, and in no instance will the compensation for state examiners be more than 90% of the parity for the corresponding federal positions in similar geographic locations as determined by the directors. Personnel will be compensated according to the schedule.

Costs incurred in the regulation of any bank, trust company, or other corporation will be reviewed at least annually by the Division of Finance to determine whether regulatory costs are offset by the fees and charges collected. The division director will revise the fees to the extent allowed by law or recommend to the General Assembly the necessary statutory changes to fully recover the costs.

Any interest earned in the dedicated funds will be used, upon appropriation, for the expenditures of the divisions in the succeeding fiscal year and for reducing the amount of the annual assessment an institution is charged.

HCS HB 388 -- DEPARTMENT OF INSURANCE RECORDS

This bill makes certain documents that are submitted to the Department of Insurance non-public documents, including information in consumer complaint files and information submitted by an insurer or producer for purposes of investigation. This information is confidential and not subject to disclosure unless a subpoena is issued by the proper prosecuting attorney, Attorney General, administrative hearing officer, or court. The department director may make these documents public if admitted as evidence in any administrative, civil, or criminal enforcement proceeding.

CCS SS SCS HCS HB 393 -- TORT REFORM

This bill changes the laws regarding claims for damages and their payment. In its main provisions, the bill:

- (1) Establishes venue in the county where the plaintiff was first injured by the wrongful acts or negligent conduct alleged in all tort actions in which the plaintiff was first injured in Missouri;
- (2) Establishes venue in all tort actions in which the plaintiff was first injured outside Missouri:
  - (a) For corporate defendants, in any county where the registered agent is located or, if the plaintiff's principal place of residence was in Missouri when the plaintiff was first injured, in the county of the plaintiff's principal place of residence on the date the plaintiff was first injured; and
  - (b) For individual defendants, in any county of the defendant's principal place of residence in Missouri or, if the plaintiff's principal place of residence was in Missouri when the plaintiff was first injured, in the county containing the plaintiff's principal place of residence on the date the plaintiff was first injured;
- (3) Specifies that in wrongful death actions the plaintiff is considered first injured where the decedent was first injured by the wrongful acts or negligent conduct alleged in the action;
- (4) Specifies that in a spouse's claim for loss of consortium the plaintiff claiming consortium is considered first injured where the other spouse was first injured by the wrongful act or negligent conduct alleged in the action;

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(5) Specifies that the court must transfer venue to the county unanimously chosen by the parties if all parties agree in writing to a change of venue. If parties are added after the date of the transfer and they do not consent to the transfer, the cause of action will be transferred to a county in which venue is otherwise appropriate;

(6) Requires prejudgment interest to be calculated 90 days after the demand or offer is received by certified mail, return receipt requested. The demand or offer must be in writing and be accompanied by an affidavit from the claimant describing the nature of the claim and the damages claimed. For wrongful death, personal injury, and bodily injury claims, the demand letter must also list the medical providers of the claimant, include copies of all reasonably available medical bills, other medical information, and authorization to allow the other party to obtain employment and medical records. The demand must be left open for 90 days;

(7) Specifies that claims for prejudgment and post-judgment interest in tort actions are calculated at an interest rate that is equal to the intended Federal Funds Rate plus 3% for prejudgment interest and 5% for post-judgment interest;

(8) Allows parties to introduce evidence of the value of medical treatment rendered to a party that was reasonable, necessary, and a proximate result of the negligence of any party. There is a rebuttable presumption that the dollar amount necessary to satisfy the financial obligation to the health care provider represents the value of the treatment rendered. The court can determine, outside the hearing of the jury, the value of medical treatment rendered based on additional evidence;

(9) Defines "punitive damage award" to include an award for punitive or exemplary damages as well as an award for aggravating circumstances;

(10) Allows discovery of a defendant's assets only after the trial court finds that the plaintiff will have a submissible case for punitive damages;

(11) Limits an award for punitive damages to the greater of \$500,000 or five times the net amount of the judgment awarded to the plaintiff against the defendant. The limits on punitive damages do not apply to certain causes of action relating to housing discrimination;

(12) Allows joint and several liability if a defendant is found

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to be 51% or more at fault. The defendant is jointly and severally liable for the amount of the judgment rendered against the defendant. If a defendant is found to be less than 51% at fault, the defendant is only responsible for the percentage of the judgment he or she is determined to be responsible for by the trier of fact. A party is responsible for the fault of another defendant or for payment of the proportionate share of another defendant if the other defendant was an employee of the party or if the party's liability for the fault of another arises out of the duty created by the Federal Employers' Liability Act. Defendants are only severally liable for the percentage of punitive damages that are attributed to the defendant by the trier of fact. In all tort actions, parties are prohibited from disclosing to the trier of fact the impact of the provisions relating to joint and several liability;

(13) Includes long-term care facilities licensed under Chapter 198, RSMo, in the definition of "health care provider." Exemplary damages and damages for aggravating circumstances are included in the definition of "punitive damages";

(14) Specifies that the cap on non-economic damages for all plaintiffs is \$350,000, irrespective of the number of defendants. There is no inflation adjustment on the non-economic damages cap;

(15) Requires future medical payments to be made in an amount according to a schedule determined by the payee's life expectancy. The court must apply interest on future payments at an interest rate equal to the average auction price of a 52-week United States Treasury bill. The parties are not prohibited from agreeing to settle and resolve the claim for future damages; and if an agreement is reached, the future payment schedule does not apply;

(16) Requires a court to dismiss any medical malpractice claim where the plaintiff fails to file an affidavit stating that he or she has obtained the written opinion of a legally qualified health care provider which states that the defendant failed to use reasonable care that caused the plaintiff's damages. Currently, the court gives discretion as to whether or not to dismiss a claim under these circumstances;

(17) Allows a defendant to file a motion 180 days after the filing of the petition asking the court to examine the opinion of the health care provider. If the opinion fails to meet the requirements specified in the bill, the court must conduct a hearing within 30 days to determine whether there is probable cause to believe that one or more qualified and competent health

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care providers will testify that the plaintiff was injured because of the medical negligence of the defendant. If the court finds no probable cause, the court can dismiss the petition and hold the plaintiff responsible for the defendant's reasonable attorney fees and costs;

(18) Specifies that physicians who provide medical treatment to patients in city, county, or nonprofit health clinics that provide free health care service are not liable for civil damages for acts or omissions, unless the damages were caused by gross negligence or by willful or wanton acts or omissions of the physician;

(19) Prohibits statements, writings, or benevolent gestures expressing sympathy made to the person or the family from being admitted into evidence;

(20) Specifies, for purposes of determining venue, that in any action against a health care provider for damages for personal injury or death arising out of the rendering of or failure to render health care services, the plaintiff will be considered injured by the health care provider only in the county where the plaintiff first received treatment by a defendant for the medical condition at issue in the case;

(21) Limits the amount of a supersedeas bond to \$50 million in all cases in which there is a count alleging a tort;

(22) Authorizes the appointment of a peer review committee by the board of trustees or chief executive officer of a long-term care facility licensed under Chapter 198;

(23) Specifies that the disclosure of interviews, memoranda, proceedings, findings, or deliberations of a peer review committee does not waive or have an effect on the confidentiality, nondiscoverability, or nonadmissibility of the documents;

(24) Specifies that the judge will transfer the case to a proper forum if a plaintiff or defendant is added or removed prior to trial which would alter the determination of venue if originally added or removed;

(25) Specifies that for purposes of determining damages, if the deceased was not employed full-time and was at least 50% responsible for the care of one or more minors, disabled persons, or persons over the age of 65, there is a rebuttable presumption that the value of the care provided is equal to 110% of the state average weekly wage;

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(26) Specifies that actions against physicians and other health care providers for malpractice must be brought within two years of a minor's eighteenth birthday. Currently, the statute of limitations is 10 years from the minor's twentieth birthday; and

(27) Specifies that the provisions of the bill, except for Section 512.099, apply to all causes of action filed after August 28, 2005.

#### HB 395 -- PUBLIC WATER SUPPLY DISTRICTS

Currently, public water supply district boards which are dependent upon purchases of water to meet their needs are allowed to sell all or part of their district property to cities owning waterworks systems. This bill extends that power to all public water supply districts.

#### HB 402 -- PODIATRISTS

This bill changes the laws regarding the licensing of podiatrists. The bill:

- (1) Changes references of "podiatry" to "podiatric medicine" and "registration" to "licensure";
- (2) Requires an applicant for licensure to take the exam of the National Board of Podiatric Medical Examiners and the exam of the State Board of Podiatric Medicine on applicable Missouri laws and regulations;
- (3) Authorizes the state board to charge additional fees for duplicate licenses;
- (4) Allows a person serving an internship in a Missouri hospital to obtain a temporary license for a two-year period;
- (5) Allows for the biennial renewal of licenses;
- (6) Requires a retired podiatrist to provide the state board sufficient evidence of the completion of all continuing education requirements prior to the reactivation of his or her license;
- (7) Increases the per diem for state board members from \$50 to \$70 a day; and

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(8) Authorizes the state board to prohibit the reapplication of a revoked license for a period of two to seven years and may require the person applying for reinstatement to obtain all continuing education requirements and pass specified examinations.

#### HB 413 -- BIOTERRORISM VACCINATION PROGRAM

This bill requires the Department of Health and Senior Services to offer a vaccination program for first responders who may be exposed to infectious diseases as a result of bioterrorism. At a minimum, the program must include vaccinations for smallpox, anthrax, and other vaccinations recommended by the Centers for Disease Control and Prevention's Advisory Committee on Immunization Practices.

Participation in the vaccination program is voluntary, except for first responders identified by their employers as personnel who cannot safely perform their emergency responsibilities without the vaccination. The bill requires that the recommendations of the advisory committee be followed when screening first responders for contraindications to the vaccination. First responders will be exempt from vaccinations when medically contraindicated.

The department must give priority to first responders and persons exposed to biological agents if there is a shortage of a vaccine. Educational material regarding ways to prevent exposure must also be provided to first responders. The department may contract with other entities for the administration of vaccinations. The program will become effective upon receipt of federal funds.

The bill contains an emergency clause.

#### HCS HB 422 -- CONVEYANCE IN MISSISSIPPI COUNTY

This bill authorizes the Governor to convey the National Guard armory located in Mississippi County to the City of Charleston.

HB 431 -- ECONOMIC STIMULUS

This bill allows certain buildings in the City of Springfield located within the city's 100-year flood plain to be eligible to receive the sales and income tax increments of the Missouri Downtown and Rural Economic Stimulus Act (MODESA). Buildings located within the flood plain must be certified as flood proofed in accordance with the Federal Emergency Management Agency's standards or they will not be eligible to receive the MODESA tax benefits.

SS SCS HCS HB 437 -- MISSOURI MILITARY FAMILY RELIEF FUND AND MISSOURI NATIONAL GUARD SCHOLARSHIPS

This bill authorizes a contribution check-off box on state income tax forms for the Missouri Military Family Relief Fund and modifies the educational assistance grant program of the Missouri National Guard.

MISSOURI MILITARY FAMILY RELIEF FUND

The bill creates the Missouri Military Family Relief Fund to be administered by the Adjutant General. The Adjutant General will make, subject to appropriations, grants from the fund to families of persons who are members of the Missouri National Guard or Missouri residents who are members of the reserves of the armed forces of the United States and have been called to active duty as a result of the terrorist attacks on September 11, 2001. A panel of three individuals will administer the fund and determine eligibility criteria for grants made from the fund. The panel will include a command sergeants major of the Missouri National Guard, a command sergeants major of the reserves or its equivalent, and a representative of the Missouri Veterans Commission.

In addition to state appropriations, in each taxable year beginning January 1, 2005, Missouri residents and corporations may designate a minimum contribution of \$1 on a single return or \$2 on a combined return to the fund from their refund amount or by separate payment. In 2006, up to \$70,000 of the moneys contributed by corporations will be used to pay for the program's administration.

The Director of the Department of Revenue is required to transfer the contributions on a monthly basis to the State Treasurer for deposit into the fund. Any moneys remaining in the fund at the end of the biennium will not revert to the General Revenue Fund.

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These provisions of the bill will expire six years from the effective date.

#### MISSOURI NATIONAL GUARD SCHOLARSHIP

Currently, if a Missouri National Guard scholarship recipient ceases to be a member of the Missouri National Guard, he or she is required to repay the full amount of the scholarship. The bill requires the recipients to maintain their military affiliation in order to avoid repayment penalties, although they are not required to be members of the Missouri National Guard. Individuals who are medically disqualified from service prior to the end of their three-year obligation are not required to repay the grant and individuals who are called to active duty will be credited for time served in fulfillment of their three-year obligation. Currently, these scholarship funds may only be used after all available United States Department of Defense educational assistance funds have been expended. The bill removes this requirement.

#### SS SCS HCS HB 441 -- CONTROLLED SUBSTANCES

This bill creates several restrictions regarding the sale of compounds containing ephedrine or pseudoephedrine and makes pseudoephedrine a Schedule V drug. Compounds containing ephedrine and pseudoephedrine may be sold only by pharmacies. The pharmacy must keep a log of all sales, keep these products behind a counter where the public is not permitted, and demand photo identification from the purchaser proving he or she is at least 18 years old. All records of these sales will be open for inspection by law enforcement officials.

The purchase of products containing ephedrine or pseudoephedrine is limited to nine grams of ephedrine or pseudoephedrine per month, unless purchased by prescription. Current law limits only the amount of ephedrine or pseudoephedrine that may be purchased at one time.

The 30-day restriction does not apply to compounds that are in a liquid or liquid-filled gel capsule form. However, a person may not buy more than nine grams in liquid form at one time. The Department of Health and Senior Services may, by rule, grant exemptions for any drug that the department finds is not used in the illegal manufacture of methamphetamine or other controlled substances.

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The bill removes a provision which exempts retailers from the sales restrictions when they have an electronic anti-theft system in place to prevent the theft of these drugs and a provision that protects the owner of the store from liability as long as the owner has a training program in place to inform employees of the sales restrictions.

A violation of the provisions of the bill is a class A misdemeanor.

The bill contains an emergency clause.

#### SCS HCS HB 443 -- PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI

This bill changes the laws regarding the Public School Retirement System of Missouri (PSRS). In its main provisions, the bill:

- (1) Changes the name of the Nonteacher School Employee Retirement System (NTRS) to the Public Education Employee Retirement System;
- (2) Excludes from the definition of "salary" employer-paid premiums for medical insurance for a spouse and children and employer contributions to deferred compensation plans;
- (3) Requires the cost of the remaining credit not paid by the member purchasing prior service credit by June 30 of each year to be recalculated each July 1 in lieu of charging interest. Members filing purchase applications prior to January 1, 2006, may elect to continue having the cost of their purchases based on the calculation in effect prior to January 1, 2006;
- (4) Allows certain information related to investment activities to be closed under Chapter 610, RSMo, in order to protect PSRS and NTRS investment returns;
- (5) Allows members who have prior nonfederal public employment or who, while being at least 18 years old, were employed in a position covered by Social Security and who worked at least 20 hours a week on a regular basis to purchase equivalent creditable service;
- (6) Adds a term-certain retirement option that upon a member's death prior to receiving all guaranteed monthly payments and the total of all guaranteed payments to the retired individual and their beneficiary are less than the member's accumulated

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contributions, the difference will be paid to the beneficiary in a lump sum;

(7) Provides for the order of distribution on any benefits payable upon the death of a member or a deceased member's beneficiary;

(8) Specifies that if a member of PSRS has received disability retirement, he or she is not eligible to elect a distribution under the partial lump sum option plan. This provision is already in the NTRS;

(9) Allows a member's beneficiary, in lieu of receiving any benefit from the retirement system, to elect that the benefits be payable to the deceased member's children;

(10) Removes Section 169.555 dealing with contribution rates. This section is similar to Sections 169.030 and 169.620 and is being removed to prevent confusion; and

(11) Allows the NTRS to establish a qualified governmental excess benefit arrangement plan (QGEBA).

#### HB 445 -- MUNICIPAL ORDINANCES

This bill allows municipalities to adopt by reference any state statute relating to vehicle equipment regulations contained in Chapter 307, RSMo.

#### HCS HB 448 -- POLICE OFFICER COMPENSATION

This bill increases the salary scale for police officers in the City of St. Louis by \$1,350 a year.

The bill contains an emergency clause.

#### HB 453 -- CONVEYANCE IN PHELPS COUNTY

This bill authorizes the Governor to convey state property located in Phelps County to the City of St. James.

HB 455 -- WATERSHED DISTRICTS

Currently, only landowners living within the watershed district may be elected to serve as trustees of the watershed district. This bill eliminates the requirement that the landowners must actually live within the district.

HCS HB 461 -- ASSESSMENT OF PERSONAL PROPERTY

This bill clarifies that the expenses incurred by the assessor or assessor-elect for attending study courses paid by the state are subject to appropriation.

The bill authorizes the Homestead Exemption tax credit; prohibits a claimant from receiving the homestead exemption credit in a year following the year in which the claimant received the property tax credit; extends the homestead exemption credit to property owned in trust; and provides an exception to the disqualification for improvements made to property which exceed 5% of the prior year's appraised value for improvements made to accommodate a disabled person for applications filed after 2005.

The homestead exemption limit for claims filed in 2005 and 2006 will be based on the increase in tax liability from 2004 to 2005. Currently, the homestead exemption is based on the increase to tax liability from the prior year. The bill moves this back an additional year.

An eligible owner who otherwise satisfies the requirements for receiving a homestead exemption will not apply for the credit more than once during the period ranging from April 1, 2005, to September 30, 2006. If the collector of a county determines that an individual is ineligible prior to issuing the credit, the credit will be void and any corresponding moneys will lapse to the state to be credited to the General Revenue Fund. After 2005, the 0.25% distributed to the county assessment funds is terminated.

The 30-day time requirement for the State Auditor to promulgate rules once the section is enacted is removed.

Studio broadcast equipment, transmitter and antenna equipment, and broadcast towers are added to the property tax depreciation schedules for broadcasting equipment. Depreciation tables are established to determine the true value in money of television broadcasting equipment beginning January 1, 2008, and radio broadcasting equipment beginning January 1, 2006.

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For tax rate setting purposes, the bill requires each taxing authority to exclude from its total assessed valuation 72% of the total amount of business personal property that is the subject of an appeal with the State Tax Commission or in a court. This exclusion will only apply to the portion of property that is disputed in the appeal. If the taxing authority uses a multi-rate approach, this exclusion is made from the personal property class.

The commission will provide the total assessed value for which an appeal is pending no later than August 20 of each year. Whenever an appeal is resolved and the result causes money to be paid to the authority, the taxing authority is not required to make an additional adjustment to its rates during the same fiscal cycle once the deadline for setting rates has passed. However, the taxing authority will adjust its rates due to the payment in the next rate setting cycle to offset the payment in the next taxable year.

"Business personal property" is defined as tangible personal property used in a trade or business or used to produce income and has a determinable life of longer than one year, with some exceptions. In order to establish uniformity, each assessor will use the standardized schedule of depreciation established in the bill to determine the assessed valuation of depreciable tangible personal property. Each assessor will value depreciable tangible personal property by applying the class life and recovery period to the original cost of the property according to the federal Modified Accelerated Cost Recovery System life tables. The estimated value of property determined using the life tables is presumed to be correct; however, an estimation may be disproved by substantial and persuasive evidence of the true value under any method approved by the commission. These methods include appraisal using accepted techniques in accordance with the Uniform Standards of Professional Appraisal Practice or by proof of functional or economic obsolescence or physical deterioration. The salvage or scrap value of depreciable tangible personal property may only be considered if the property is not in use on the assessment date. This section of the bill does not apply to business personal property placed in service before January 2, 2006.

Motor vehicles leased for a period of one year or more to a religious, educational, or charitable organization are exempt from state, county, and local taxation.

HCS HB 462 & 463 -- SUICIDE PREVENTION

This bill changes the laws regarding suicide prevention. In its main provisions, the bill:

- (1) Adds suicide prevention intervention rendered in good faith at the scene of a threatened suicide by a mental health professional, a health care provider, or another person who has been trained to provide suicide prevention interventions to the list of care or services rendered in an emergency situation that are immune from civil liability;
- (2) Allows specified individuals to have access to mental health records if the information could mitigate the likelihood of a suicide;
- (3) Establishes the Suicide Prevention Advisory Committee within the Department of Mental Health to be responsible for the oversight, support, and promotion of departmental suicide prevention activities and for reviewing and recommending changes to laws, regulations, and policies; and
- (4) Requires the departments of Mental Health and Health and Senior Services to seek additional funding from the federal Centers for Disease Control and Prevention to allow participation in the National Violent Death Reporting System.

HB 479 -- REGIONAL RECREATIONAL DISTRICTS

This bill authorizes the disincorporation of a regional recreational district in Clay County upon the request of the district if it has less than \$1,000 total debt and no real property.

HB 486 -- SEXUAL OFFENDER TREATMENT PROVIDERS

Currently, a person who provides assessment services for the state in sexual offender cases cannot be related within the third degree of consanguinity or affinity to any person who has a financial interest in a sex offender counseling program. This bill removes that prohibition when there is only one qualified service provider within a reasonably accessible distance from the offender.

## SS SCS HB 487 -- MOTOR VEHICLES

This bill changes the laws regarding titling and registration of motor vehicles and the licensing of drivers.

### MISSOURI CAPITOL POLICE

The bill adds Missouri Capitol Police vehicles to the definition of "emergency vehicle" for purposes of the provisions of law regarding yielding the right-of-way.

### SCHOOL BUS DRIVERS

School districts will be responsible for conducting criminal background checks for their school bus drivers. A driver may continue to operate a school bus pending the results of the background check. The Department of Revenue will no longer be responsible for obtaining criminal background checks or for collecting fingerprints from school bus drivers. The bill provides that each school district must annually have on file a statement from a medical examiner which indicates that the driver is physically qualified to operate a school bus for the purpose of transporting students. For new drivers, the statement will be on file prior to the driver's initial operation of a school bus. This provision applies to drivers employed by the school district or under contract with the school district. Each school district will annually provide at least eight hours of special instruction in school bus driving to each school bus driver employed or under contract with the school district. School bus examinations for drivers 70 years of age or older must be completed annually. An out-of-state resident will be exempt from Missouri's school bus endorsement requirements if the person possesses a valid driver's license and a school bus endorsement from their state of residence.

### FEE OFFICES

A fee office may charge \$2.50 for instruction permits, nondriver licenses, chauffeur licenses, and driver's licenses issued for three years or less and \$5.00 for licenses or instruction permits exceeding three years. Currently, a fee office is allowed to impose a \$5.00 fee regardless of the length of the license.

### CREDIT FOR TRADE-INS

The bill stipulates that a bill of sale which a person must submit to the Department of Revenue to claim a trade-in sales tax exemption does not have to be notarized.

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## SALVAGE VEHICLES

If an insurance company pays a claim on a salvage vehicle and the insured is retaining ownership of the vehicle, as prior salvage, the bill specifies that the vehicle will not be subject to the examination conducted by the State Highway Patrol in order for a title to be obtained.

## PROOF OF PAYMENT OF PERSONAL PROPERTY TAXES

An applicant for a motor vehicle registration can supply proof of payment of personal property taxes by submitting a statement certified by a county or township collector for the previous year that no taxes were assessed or due and the applicant has no unpaid taxes on the collector's tax roll for any subsequent year.

## LICENSE PLATE DESIGN ADVISORY COMMITTEE

The bill changes the deadline for the License Plate Design Advisory Committee to choose a new license plate design. Currently, the committee must meet prior to April 1, 2006, to develop the new plate with the final design due on that date. The new date for these requirements is January 1, 2008.

## LICENSE PLATE TABS AND LICENSE PLATE REISSUANCE

Currently, the Department of Revenue must issue license plate tabs that include information to assure that the tabs correlate with the license plates by January 1, 2009. The bill changes this date to January 1, 2011.

Currently, new license plates are to be reissued between January 1, 2007, and December 31, 2009. The new reissuance period will be between January 1, 2010, and December 31, 2012. The Department of Corrections will no longer maintain tabs beginning January 1, 2011, instead of January 1, 2009.

## REPOSSESSED TITLES

The bill modifies the process for obtaining a repossessed title. Currently, a lienholder must submit an application describing the repossessed vehicle, an affidavit stating that the debtor defaulted, and a copy of the security agreement. Under the bill, the lienholder does not have to submit a copy of the security agreement but must state in the affidavit that the lienholder has obtained written consent of all lienholders of record to repossess the vehicle or has provided all lienholders with

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written notice of the repossession. The lienholder must also give the owner and lienholders a 10-day written notice that an application for a repossessed title will be made. Currently, if the application is not accompanied by the written consent of lienholders, the Department of Revenue will not issue a repossessed title without first providing the parties with 10 days' notice. Under the bill, the burden is placed upon the repossessing lienholder to notify the parties that the lienholder is seeking a repossessed title.

#### MOTOR VEHICLE TRANSACTIONS WITHOUT CONTEMPORANEOUS EXCHANGE OF TITLE

The bill allows a motor vehicle dealer to purchase or accept as a trade in and later sell, a motor vehicle without a title from a seller under certain conditions. A vehicle dealer may obtain a duplicate or replacement title in the owner's name if the owner's title has been lost, stolen, mutilated, or destroyed and is not available for assignment. The licensed dealer must procure a power of attorney from the owner authorizing the dealer to obtain a duplicate or replacement title in the owner's name and sign any title assignments on the owner's behalf. The application to the Department of Revenue for the duplicate or replacement title will be accompanied by the executed power of attorney, or a copy, and the application will contain the appropriate mailing address of the dealer. Currently, only the lawful holder of the title may obtain a duplicate or replacement title. A dealer may purchase or accept as a trade in a vehicle without a title if the seller provides the dealer the following:

- (1) A signed written contract between the licensed dealer and the owner of the vehicle;
- (2) The physical delivery of the vehicle to the licensed dealer; and
- (3) A power of attorney from the owner to the licensed dealer authorizing the licensed dealer to obtain a duplicate or replacement title in the owner's name and sign any title assignments on the owner's behalf.

If these steps are followed, the sale or trade of the vehicle to the dealer will be considered final.

If a licensed dealer purchases the vehicle from the seller in conformance with the bill, the licensed dealer may sell the vehicle prior to receiving and assigning to the purchaser the certificate of title. The sale of the vehicle to the purchaser will be considered final if:

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(1) All outstanding liens created on the vehicle have been paid in full;

(2) The dealer has obtained proof or other evidence from the Department of Revenue confirming that no outstanding child support liens exist upon the vehicle at the time of sale;

(3) The dealer has obtained proof or other evidence from the department confirming that all applicable state sales tax has been satisfied on the sale of the vehicle to the owner; and

(4) The dealer has signed and submitted an application for duplicate or replacement title for the vehicle.

A licensed dealer will, within five business days of obtaining a vehicle without a title, apply for a duplicate or replacement title. Upon receipt of a duplicate or replacement title, the dealer must assign and deliver the certificate of title to the purchaser of the vehicle within five business days.

If the dealer fails to comply with the bill, the dealer will be liable to the purchaser for actual damages, plus court costs and reasonable attorney fees. If the dealer fails to assign and deliver the duplicate or replacement certificate of title to the purchaser, the purchaser may deliver to the department director a copy of the contract for sale of the vehicle and a copy of the application provided by the dealer to the purchaser. The department director must give the dealer notice informing the dealer that the department director intends to cancel any prior certificate of title issued to the dealer on the vehicle and issue to the purchaser a certificate of title in the name of the purchaser, subject to any liens incurred by the purchaser in connection with the purchase of the vehicle, unless the dealer, within 10 business days from the date of the notice, files a written objection to the director. If the dealer timely files a written objection, the department director will not take any further action without an order from a court of competent jurisdiction. However, if the dealer does not timely file a written objection, the department director will cancel the prior certificate of title issued to the dealer and issue a certificate of title to the purchaser of the vehicle, subject to any liens incurred by the purchaser in connection with the purchase of the vehicle.

If a seller fraudulently misrepresents to the dealer that he or she is the owner of the vehicle, the seller will be liable to the dealer or subsequent purchaser for any damages resulting from the misrepresentation. Prior to seeking court costs or attorney fees

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authorized under the bill, the aggrieved party must deliver an itemized written demand of its actual damages to the party from whom damages are sought and the party from whom damages are sought has not satisfied the written demand within 30 days after its receipt.

#### DRIVER'S LICENSES

The bill clarifies the laws regarding the issuance of six-year and three-year licenses, their respective fees, and their expiration on the applicant's birthday unless licensed for a shorter period due to other requirements of law. Commercial driver's licenses (CDL) issued to 21 to 69 year old individuals will expire on the sixth year after issuance unless the license must be issued for a shorter period due to other requirements of law or for the staggering of work. For individuals under 18 years of age or for those 70 years of age or older, the license will expire the third year after issuance unless the license must be issued for a shorter period due to other requirements of law. A CDL containing a hazardous materials endorsement issued to a person 70 years of age or older will not be issued for a period exceeding three years.

#### JURISDICTION OF REGIONAL TAXICAB COMMISSION

The bill clarifies the jurisdiction of the regional taxicab commission. Under the bill, the regional taxicab commission may exercise jurisdiction over any person who engages in the business of transporting passengers in commerce, wholly within the regional taxicab district, in any motor vehicle designed or used to transport not more than eight passengers including the driver. The jurisdiction of the regional taxicab commission will not apply to:

(1) Operators who are required to be licensed, supervised and regulated by the Highways and Transportation Commission. The regional taxicab commission's jurisdiction will not extend to motor vehicles transporting passengers within the district in interstate commerce, and those interstate operations are subject to the powers of the Highways and Transportation Commission;

(2) Motor vehicles that are operated exclusively by not-for-profit corporations or governmental entities, whose operations within the regional taxicab district are subsidized, wholly or in part, with federal or state funding; and

(3) Vehicles that transport one or more passengers upon the public highways in a continuous journey from a place within the

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regional taxicab district to a destination outside the district or from a place outside the district to a destination within the district, either with or without a return trip to the point of origin.

Every person, partnership, or corporation who becomes subject to the jurisdiction of the regional taxicab commission which was previously under the jurisdiction, through permit or certificate, of the Highways and Transportation Commission is deemed to be licensed, permitted, and authorized by the regional taxicab commission; and the vehicles and drivers used by the motor carriers are deemed to be licensed, permitted, and authorized by the regional taxicab commission to operate and engage in the transportation of passengers within the regional taxicab district to the same extent as they were formerly licensed, permitted, and authorized by the Highways and Transportation Commission on August 27, 2005. Motor carriers, drivers, and vehicles are exempt from applying for any license, certificate, permit, or other credential issued or required by the regional taxicab commission, except that the regional taxicab commission may after December 31, 2005, require motor carriers and drivers to apply and pay the regular fees for annual renewals of licenses, permits, certificates, or other credentials, pursuant to uniform requirements applicable to all motor carriers, vehicles, and drivers operating within the regional taxicab district.

#### MOTOR VEHICLE DEALER ADVERTISEMENTS

The bill allows motor vehicle dealers, when advertising by broadcast or print media, to provide disclaimers and disclosures by referring to an Internet web page or a toll-free number containing the information required to be disclosed by law.

The bill contains an emergency clause for the school bus and commercial driver's license provisions.

#### SS SCS HCS HB 500 & 533 -- TRANSFER OF EMPLOYER ACCOUNTS

This bill requires that the unemployment experience rate transfer with a business if both employers involved in the transfer have substantially common ownership, management, or control of the business and the transfer was made to lower the rating. The rate and liabilities of both employers will be recalculated. The rate does not transfer with the business if the employer acquiring the business is not an employer in the state at the time of the acquisition.

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If an employer knowingly violates, attempts to violate, or knowingly advises another in a manner that results in a violation of the provisions relating to the determination of an unemployment experience rate, the employer's rate will be the greater of the maximum rate or the employer's rate plus 2% for the current year and the following three rate years.

Out-of-state employers will be subject to a civil penalty of up to \$5,000 which will be deposited into the Special Employment Security Fund. A person violating any provision relating to the unemployment experience rating is guilty of a class A misdemeanor for the first offense and a class D felony for any subsequent offense.

The bill becomes effective January 1, 2006.

#### HCS HB 513 -- MEMORIAL HIGHWAY

This bill designates a portion of State Highway 370 in St. Louis County from the intersection of Interstate 270 west to the Discovery Bridge as the "Officer Scott Armstrong Memorial Highway."

#### SCS HCS HB 515 -- TOURISM COMMUNITY ENHANCEMENT DISTRICTS

Currently, each tourism community enhancement district has a board of directors with at least five members. This bill increases the number to seven directors and changes the membership so that it is based on the amount of sales tax revenue collected by each district rather than population. Members are required to be residents of the district, own property in the district, be employed by a business in the district, or operate a business in the district. Currently, only residents of the district may be board members. A simple majority vote is required for the removal of a board member instead of the current two-thirds vote of the appointing governing body.

Currently, the board is allowed to levy, upon voter approval, a tourism tax of up to 1% on all sales within the district. The bill prohibits the tourism tax from being assessed on the sale of food, utilities, telephone, and wireless services. The manner in which the revenue from the tax is distributed is changed so that 98% of the revenue is used for the marketing, advertising, and promotion of tourism; the administration of these activities; and a reasonable reserve. One percent of the revenue must be held in reserve, and another 1% may be retained by the Department of Revenue for the collection of the sales tax.

HB 524 -- LOBBYISTS

Currently, lobbyists are required twice a year to provide the Missouri Ethics Commission with information on legislation they supported or opposed. This bill removes that requirement.

HCS HB 525 -- ETHICS

This bill changes the laws regarding ethics and campaign contribution disclosures. In its main provisions, the bill:

- (1) Requires lobbyists to file verified registration forms with the Missouri Ethics Commission no later than January 5 of each year or five days after beginning lobbyist activities and removes the requirement that lobbyists provide the commission with a summary of legislation they supported or opposed (Section 105.473, RSMo);
- (2) Changes the dates when financial interest statements must be filed and designates the commission as the filing officer for all other persons required to file a financial statement for which no filing officer is otherwise specified (Section 105.487);
- (3) Allows lobbyists and other individuals to appeal a late fee assessment on a disclosure report (Sections 105.492 and 105.963);
- (4) Changes the term "actual notice" to "notice" regarding the document that must be given to subjects of complaints and commission investigations and changes the body to which they may appeal commission actions from the Administrative Hearing Commission to the circuit court of Cole County (Section 105.961);
- (5) Removes direct dollar amounts from various sections limiting campaign contributions and instead references the section establishing the base amount and the method of computing the biennial increase (Sections 130.011 and 130.046);
- (6) Permits candidates or committees who file with the local election authorities to not report the name and number of bank accounts (Section 130.021);
- (7) Changes references from the Campaign Finance Review Board to the Missouri Ethics Commission (Section 130.036);
- (8) Eliminates the requirement of filing campaign finance disclosure reports with an election authority if the reports have

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been filed electronically with the commission and the candidate has filed a declaration that electronic filing will be used exclusively (Section 130.041);

(9) Reorganizes various sections regarding reporting requirements for out-of-state committees and candidates nominated by political party committees (Sections 130.049 and 130.050);

(10) Changes from \$15,000 to \$5,000 the amount of contributions which triggers the requirement for continuing committees to file electronic reports and extends the requirement to political party committees and campaign committees (Section 130.057);

(11) Moves a section regarding the nomination of candidates from Section 130.050 to Section 130.062 (Section 130.062);

(12) Removes the requirement that municipal lobbyists in Kansas City register with the city clerk (Section 105.971);

(13) Removes the requirement that the commission print and make available a summary of all laws for which they have enforcement powers (Section 105.973);

(14) Requires the commission to hold hearings, study the effectiveness, and report to the General Assembly by January 1, 2006, on current campaign contribution limits, independent expenditures, and the regulation of various continuing committees (Section 1);

(15) Clarifies the nomination process for presidential electors by a newly created political party (Sections 115.315 and 115.327); and

(16) Adds the date of voter registration to the list of information that must be made available to the public through electronic media or printout (Section 115.157).

#### HB 530 -- AMERICAN SIGN LANGUAGE

This bill treats American Sign Language (ASL) as a foreign language for the granting of academic credit at public schools and public higher education institutions. Students may receive academic credit for demonstrating proficiency or completing a course with a passing grade. The credit may be used to satisfy the foreign language or language arts requirements, including entrance requirements of public higher education institutions.

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Nothing in the bill prohibits a department of a higher education institution from establishing specific language requirements for its majors that cannot be met by ASL, nor does the bill prohibit the offering of noncredit courses in ASL. The Missouri Commission for the Deaf and Hard of Hearing and the Missouri American Sign Language Teachers Association, upon request, will assist in the development and teaching of the courses.

HCS HB 531 -- CONVEYANCE IN GREENE COUNTY

This bill authorizes the Governor to convey state property located in Greene County to the Greater Ozarks Association for Retarded Citizens.

HCS HB 563 -- DRAINAGE AND LEVEE DISTRICTS

This bill gives any drainage district, levee district, or drainage and levee district five years after the lapse of the corporate charter to reinstate and extend the time of its corporate existence through the circuit court having jurisdiction.

The bill contains an emergency clause.

HB 567 -- CONDEMNATION PROCEEDINGS

This bill increases the time parties are allowed to request the circuit court to review a report in condemnation proceedings from 10 days to 30 days after service of the notice to conform with the current Missouri Supreme Court rule.

CCS SS HCS#2 HB 568 -- PROTECTION OF CHILDREN

This bill changes the laws regarding the protection of minors.

MINORS IN THE CUSTODY OF THEIR PARENTS

The bill:

- (1) Clarifies the provision prohibiting a child under the care

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of the state or the jurisdiction of a juvenile court from being reunited with a parent or being placed back in the home with a parent who has been found guilty or plead guilty to specific crimes of sexual offenses or offenses against the family when a child was the victim;

(2) Clarifies the provision allowing the Children's Division in the Department of Social Services to exercise discretion in awarding custody or visitation or the placing of a child back in the home of a parent, or any person residing in the home, who has been found guilty or plead guilty to any other offense;

(3) Removes when a parent has had a full order of protection entered against them from the list of conditions preventing a child from being returned to a parent;

(4) Clarifies the provision prohibiting a court from awarding custody or unsupervised visitation to a parent when that parent has been found guilty or plead guilty to specific crimes of sexual offenses or offenses against the family when a child was the victim;

(5) Clarifies the provision prohibiting a court from granting visitation rights to the noncustodial parent if that parent or any person residing with the parent has been found guilty or plead guilty to specific crimes of sexual offenses or offenses against the family when a child was the victim;

(6) Clarifies the provision prohibiting a court from modifying an order granting or denying visitation rights if a parent or any person residing with the parent has been found guilty or plead guilty to specific crimes of sexual offenses or offenses against the family when a child was the victim; and

(7) Allows a court to appoint a guardian ad litem in any proceeding alleging child abuse or neglect.

#### MODEL SCHOOL WELLNESS PROGRAM

The bill establishes the Model School Wellness Program, administered by the Department of Elementary and Secondary Education, to create pilot programs in school districts encouraging students to avoid tobacco use, balance their diets, get regular exercise, and become familiar with chronic medical conditions resulting from being overweight. School districts receiving the grants will establish programs that address academic success and encourage links between school and home. The tobacco prevention initiative will focus on fourth and fifth

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grades, while the obesity prevention element will cover kindergarten through fifth grade. The bill requires hands-on professional development and an evaluation after the 2005-2006 school year that will include changes in body mass index and measurement of changing behaviors related to nutrition, physical activity, and tobacco use.

The provisions of this section will expire six years from the effective date.

#### ASSESSMENT AND TREATMENT SERVICES FOR CHILDREN

The Children's Division will recognize and treat the needs of at risk and abused or neglected children under the age of 10. Within 30 days of a child's entry into state custody and every six months thereafter as long as the child remains in custody, the division may conduct physical, developmental, and mental health screenings. Children whose screenings indicate an area of concern may conduct a comprehensive health, psycho-diagnostic, or developmental assessment within 60 days of entry into custody.

#### IMMUNITY FOR PRIVATE CONTRACTORS

The bill allows immunity from civil liability for a private contractor with the Children's Division providing services to children and their families when the child is not in their care. Immunity does not apply to a private contractor who knowingly violates a department policy.

#### HCS HB 576 -- SMALL BUSINESS

This bill changes the laws regarding the Small Business Regulatory Fairness Board and the procedures necessary for obtaining judicial review of administrative decisions.

Currently, the board is allowed to conduct hearings and solicit input from business owners regarding government agencies' rules or proposed rules, after which the board provides input to the agencies creating the rules. The bill requires, rather than allows, the board to carry out these functions.

Currently, any person can petition an agency for the adoption, amendment, or repeal of a rule. The bill requires the agency to submit a written response to these petitions to the board within 60 days of the receipt of the petition. If the agency determines that no change in a rule is needed, any small business affected by the rule may seek a review by the board.

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Each agency promulgating a rule that affects small business must submit a list of these rules, every two years, to the General Assembly and the board. The agency must also submit reports explaining why any rule should be continued.

Within 45 days of being notified by the board of a rule that has generated complaints from small businesses, the agency must submit a written response to the board.

Any small business that is adversely affected by a final action of the agency has the right to sue in circuit court for compliance with the procedures specified in the bill. These suits must be commenced within one year of a rule becoming final.

The bill also specifies that if an agency fails to issue a final decision on a contested case within either 60 days after the conclusion of a hearing or within 180 days after the receipt by the agency of a written request for the issuance of a final decision, whichever time is earlier, the person is considered to have exhausted all administrative remedies and is entitled to judicial review in circuit court. The court is allowed to conduct a de novo review of the agency's decision upon application of any party when the action of the agency under review involves only the application of the law to the facts by the agency.

#### HCS HB 577 -- PUBLIC OFFICIALS AND EMPLOYEES

This bill increases from \$1,500 to \$5,000 per annum the amount that an elected or appointed official or an employee of the state or a political subdivision may receive for performing services or selling, renting, or leasing property to their state agency or political subdivision.

#### HB 596 -- HEALTH INSURANCE BENEFITS

This bill allows employers to provide or contract for health insurance at reduced rates for employees who do not use tobacco products.

## HB 600 -- LICENSING OF PROFESSIONAL COUNSELORS

After August 28, 2007, this bill requires all applicants for licensure as a professional counselor to provide the Committee for Professional Counselors with evidence of the completion of a minimum of three hours of graduate-level course work in diagnostic systems in the curriculum leading to their degree. The committee is authorized to establish continuing education requirements for professional counselors to maintain and renew their licenses.

## SS SCS HB 617 -- WATERSHED DISTRICTS

Currently, the counties of Douglas, Ozark, Webster, and Wright are members of the Upper White River Basin Watershed Improvement District. This bill excludes those counties from the watershed improvement district and allows those counties to be included within a watershed district upon the filing of a petition signed by at least 20% of the qualified voters of the county requesting inclusion or an order by the county commission and upon countywide voter approval at the next general election. The bill also eliminates provisions allowing for the licensing of septic system maintenance providers within a watershed district, eliminates the requirement that persons installing on-site sewage disposal systems be registered by the Department of Health and Senior Services, and requires the department to investigate only sewage complaints received from an aggrieved party or adjacent landowner and not those received from any two residents of the county. The governing body of any county included in the Upper White River Basin Watershed Improvement District is allowed to designate groundwater depletion areas within its county and may require well-volume monitoring of the areas.

## SCS HB 618 -- STATE HIGHWAY PATROL PERSONNEL

Currently, the State Highway Patrol may have no more than 25 captains, 60 lieutenants, and a total of 965 officers and patrolmen. This bill exempts from those limits the members assigned to the Division of Drug and Crime Control. The bill also adds Missouri Capitol Police vehicles to the definition of "emergency vehicle."

HCS HB 630 -- NOT-FOR-PROFIT CORPORATIONS

This bill allows a not-for-profit corporation to apply for reinstatement if it had been forfeited after 1978 for failure to file an annual report.

HCS HB 631 -- CONVEYANCE IN ST. LOUIS COUNTY

This bill authorizes the Governor to convey state property located in the City of Manchester, St. Louis County, to the Manchester United Methodist Church.

The bill contains an emergency clause.

SCS HB 638 -- URBAN PUBLIC LIBRARY DISTRICTS

This bill removes the requirement that the chief executive and administrative officer of an urban public library district be a duly qualified graduate librarian.

CCS SCS HB 678 -- CORPORATIONS

This bill allows a corporation, through its articles of incorporation or bylaws, to specify that classes or series of its stock will be uncertificated shares. Every holder of uncertificated shares is entitled to receive a statement of holdings as evidence of share ownership. Corporations must, upon request, furnish to holders of uncertificated shares information regarding the voting powers, designations, and preferences, as well as relative, participating, optional, or other special rights of each class of stock. If the remedy provided for in the section outlining the rights of dissenting shareholders is available with respect to a transaction, that remedy is the exclusive remedy for the shareholder unless there is fraud or a lack of authorization for the transaction.

HB 681 -- OFFICE OF ADVOCACY FOR THE ELDERLY

This bill renames the Office of Advocacy and Assistance for the Elderly to the Office of Advocacy and Assistance for Senior Citizens.

SCS HB 685 -- CONVEYANCES IN HOWELL AND GREENE COUNTIES

This bill authorizes the Board of Governors of Southwest Missouri State University to convey property located in Howell County in the City of West Plains and property located in Greene County in the City of Springfield.

The bill contains an emergency clause.

SCS HB 688 -- JUDICIAL PROCEDURES

This bill requires that, from January 1 to June 1 of each year, there will be an automatic stay of all administrative and court proceedings in which a member of the General Assembly has filed written notice with the court or administrative hearing officer and all parties that the member is an attorney for a party, is a necessary witness, or is a party to an action. The stay also applies to orders requiring the member to serve as a juror whenever the General Assembly is in session.

The stay does not apply if the member waives the stay in a written memorandum filed with the court or administrative tribunal to proceedings involving employment security under Chapter 288, RSMo, to requests for injunctive relief, or to proceedings in which the member is charged with a felony or a class A misdemeanor. The court of appeals has original jurisdiction over applications of termination or modification of the stay.

HB 700 -- DEPARTMENT OF CORRECTIONS

This bill authorizes the Board of Probation and Parole to charge offenders placed under the supervision of the board a fee of up to \$60 a month. All fees will be deposited into the Inmate Fund within the state treasury and may be used for community corrections and intervention services for offenders. The board will adopt rules sanctioning offenders for nonpayment and establishing, waiving, collecting, and using the fees.

The bill also makes it a class C felony for any person held in a correctional facility within this state who is knowingly infected with HIV, hepatitis B, or hepatitis C to intentionally cause another person to come into contact with any of his or her bodily fluids.

SCS HB 707 -- BANKS AND FINANCIAL INSTITUTIONS

This bill changes the laws regarding banking. In its main provisions, the bill:

- (1) Removes the requirement that bank examiners be members of a political party;
- (2) Defines "financial institution" as any entity subject to chartering, licensing, or regulation by the Division of Finance within the Department of Economic Development;
- (3) Authorizes the division director to compel the attendance of witnesses and the production of documents and electronic records in an examination or investigation. The division director may seek judicial enforcement of a subpoena by application to an appropriate court;
- (4) Removes the requirement that the division director must petition the circuit court where a bank is located for an order appointing the Federal Deposit Insurance Corporation (FDIC) as the liquidating agent of a bank;
- (5) Allows banks when restating its articles of agreement to amend its articles of incorporation at the same time;
- (6) Specifies that a drop box for deposit purposes is not considered a branch bank;
- (7) Requires that loans or other extensions of credit to officers and directors of banks be made in accordance with Federal Reserve Board regulations;
- (8) Revises the provision requiring banks and trust companies to maintain reserves against aggregate deposits as provided by the Federal Reserve Act. A bank's required surplus fund cannot be created or increased by the net earnings of the bank, and banks must account for every item of income and expense to determine the amount of net income or loss for a dividend period;
- (9) Requires that a notice be posted in the lobby, on the entrances, and given to the division director for a branch office of a bank to temporarily be closed for any reasonable period of time for repairs or purposes decided by the bank's board of directors;
- (10) Changes the term "foreign corporation" to "out-of-state bank or trust company" and includes any thrift institution under

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the jurisdiction of the Office of Thrift Supervision in the United States Department of the Treasury. Unless the out-of-state bank or trust company verifies to the division that it satisfies certain capital requirements and maintains a bond for faithful performance of fiduciary duties, the division director may require a bond of at least \$1 million.

#### HB 738 -- REAL ESTATE APPRAISERS

This bill requires applicants for a real estate appraiser's license to complete all the necessary experience requirements within two years of passing the qualifying exam. Currently, applicants are allowed three years to complete these requirements.

The bill contains an emergency clause.

#### HB 743 -- CONVEYANCE IN MADISON COUNTY

This bill authorizes the Governor to convey state property located in Madison County to the United States government for forestry purposes.

#### HCS HB 824 -- ENVIRONMENTAL REGULATIONS

Any air contaminant source required to obtain a permit annually pays a fee per ton of regulated air contaminant emitted. Currently, the minimum and maximum limits for per ton fees may be adjusted annually. This bill specifies that the fee will be limited to not less than \$25 and not more than \$40 per ton of regulated air contaminant.

The bill clarifies that the Land Reclamation Commission will have no authority to regulate the excavation of minerals or fill dirt at the site of an excavation. No public entity, private person, or contractor or subcontractor to a public entity or private person will be required to obtain a permit for the purpose of moving minerals or fill dirt within the confines of real property where excavation occurs. Any private person, lessor, public entity, contractor, or subcontractor engaged in land improvement involving the displacement, moving, or removal of minerals and fill dirt may be required to obtain a surface mining permit in accordance with a determination by the commission.

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The bill also allows any person or entity involved or affected by a finding, decision, order, or assessment by the Hazardous Waste Management Commission, Land Reclamation Commission, Safe Drinking Water Commission, Air Conservation Commission, or Clean Water Commission to have an appeals hearing before the Administrative Hearing Commission if they file a petition within 30 days after receiving notice of the judgment. If a party filing an appeal prevails in the dispute, that party is entitled to interest on any amount wrongfully collected or erroneously paid. However, the authority to render a final decision after an appeals hearing remains with the Administrative Hearing Commission. A commission issuing a final order or decision will have the burden of proof, except in cases involving the denial of a permit, license, or registration, in which case the burden is on the applicant. Appropriations will be made from the respective funds of the various commissions to cover the costs of any Administrative Hearing Commission appeal.

#### HCS HB 866 -- INSURANCE FRAUD

This bill specifies that it is illegal for any person to engage in a fraudulent scheme, make a false statement, or conceal a material fact relating to an insurance transaction. The person may be fined not more than \$100,000, be imprisoned for not more than 10 years, or both. A court may also order restitution be paid to the victim in an amount equal to twice the loss due to the offense and order the Department of Insurance to revoke the offender's insurance license.

#### SS#2 SCS HCS HB 972 -- CRIME

This bill changes the laws regarding crime.

The bill restricts the operation of adult cabarets and other sexually oriented businesses. A sexually oriented business is defined as any adult cabaret or any business which generates more than 30% of its revenue from the sale of sexually oriented material. In its provisions regarding sexually oriented businesses, the bill makes it a class A misdemeanor to:

(1) Exhibit films depicting sexual activity at any sexually oriented business, unless several specific restrictions are met. Violation of this provision allows the county prosecutor or the Attorney General to enjoin the business as a public nuisance;

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(2) Appear in a state of nudity or depict, simulate, or perform a sex act in a sexually oriented business;

(3) Appear in a semi-nude condition in a sexually oriented business, unless the person is an employee and remains at least 10 feet away from any customer, on a stage at least two feet from the floor and behind a railing no less than two feet in height;

(4) Touch a customer in a sexually oriented business while in a semi-nude condition; or

(5) Allow a person younger than 21 years of age to enter a sexually oriented business, except for delivery persons or repair persons.

A sexually oriented business may be closed as a public nuisance if the owner of the business allows criminal activity to occur on the premises.

The bill changes the laws regarding sex crimes. The bill:

(1) Clarifies the crime of sexual misconduct involving a child. A person commits the crime when a person exposes his or her genitals to a child younger than 14 years of age under circumstances in which the person knows the conduct is likely to cause affront or alarm to the child;

(2) Requires lifetime supervision by the Board of Probation and Parole for any person convicted of certain sex offenses when the victim is younger than 14 years of age and the offender is sentenced as a prior sex offender. All offenders must be electronically monitored using a global positioning system;

(3) Creates the crime of violating a condition of lifetime supervision, a class C felony. The crime is committed when a person knowingly violates a condition of lifetime supervision by the board for any person convicted of certain sexual offenses;

(4) Creates the crime of tampering with electronic monitoring equipment, a class C felony. The crime is committed when a person intentionally removes or tampers with an electronic monitoring device which is required to be worn by a criminal offender, pursuant to a court order or as required by the board;

The bill changes the laws regarding driving while intoxicated. The bill expands the crime of involuntary manslaughter in the first degree and increases the penalty to a class B felony under

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certain circumstances. The crime is a class B felony when a person operates a motor vehicle in an intoxicated condition and with criminal negligence:

- (1) Causes the death of any person not a passenger in the vehicle operated by the defendant;
- (2) Causes the death of two or more persons; or
- (3) Causes the death of any person while the defendant's blood-alcohol content is greater than .18%.

The bill changes the definition of "persistent offender." Currently, "persistent offender," as used in Chapter 577, RSMo, is defined as a person with two or more convictions for intoxication-related offenses during the past 10 years. The bill removes the time requirements.

Two new types of offender status, "aggravated offender" and "chronic offender", are created for the purposes of applying the enhanced penalties and prison requirements of Section 577.023. An aggravated offender is a person convicted of:

- (1) Three intoxication-related offenses; or
- (2) Two intoxication-related offenses, when one of them is for involuntary manslaughter, murder in the second degree when the underlying felony is an intoxication-related offense, aggravated vehicular manslaughter, assault in the second degree, or assault of a law enforcement officer in the second degree.

A chronic offender is a person convicted of:

- (1) Four or more intoxication-related offenses;
- (2) Involuntary manslaughter, aggravated vehicular manslaughter, assault in the second degree, or assault of a law enforcement officer in the second degree on two separate occasions; or
- (3) Involuntary manslaughter, aggravated vehicular manslaughter, assault in the second degree, or assault of a law enforcement officer in the second degree, and two other intoxication-related offenses.

The bill makes driving while intoxicated or driving with an excessive blood-alcohol content a class C felony when the defendant is sentenced as an aggravated offender, and a class B felony when sentenced as a chronic offender. Aggravated

(CONTINUED)

offenders must serve at least 60 days of imprisonment and chronic offenders at least two years of imprisonment before becoming eligible for probation or parole.

The bill expands the crime of endangering the welfare of a child in the second degree, a class A misdemeanor. The offense is committed when a person operating a motor vehicle commits involuntary manslaughter, assault in the second degree, driving while intoxicated, or driving with excessive blood-alcohol content while a child younger than 17 years of age is in the vehicle.

In other provisions, the bill:

- (1) Makes it a class A misdemeanor for a property owner to allow someone younger than 21 years of age to drink or possess alcohol on the owner's property;
- (2) Clarifies that the term "court" as used in Chapter 577, regarding intoxication-related offenses, includes municipal courts; and
- (3) Removes the requirement that a municipal judge must be a licensed attorney for any intoxication-related convictions in that court to be considered in an offender's sentence enhancement.

Section 566.083 of the bill contains an emergency clause.

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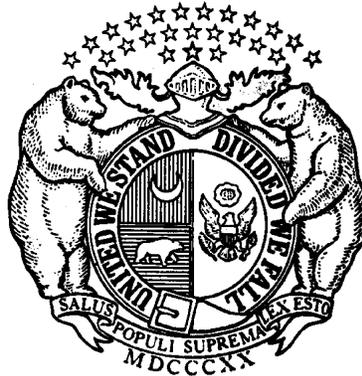
**TRULY AGREED  
TO  
AND FINALLY  
PASSED**

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**SENATE BILLS**

**FIRST REGULAR SESSION  
93rd GENERAL ASSEMBLY**

**2005**



**Prepared by  
House Research Staff**

CCS HCS SS SCS SB 1 & 130 -- WORKERS' COMPENSATION

This bill changes the laws regarding workers' compensation.

EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES

The bill:

- (1) Authorizes an employer to require an employee absent from work due to medical reasons to use any accumulated paid leave to offset the absence;
- (2) Requires an employee to submit to an employer-requested vocational testing and rehabilitation assessment;
- (3) Specifies that a claimant is disqualified from receiving temporary total disability benefits for the period of time he or she is receiving unemployment compensation;
- (4) Specifies that an employee is ineligible to receive temporary total or temporary partial disability benefits if the employee is terminated from post-injury employment for misconduct;
- (5) Specifies that a for-hire motor carrier not be determined to be an employer of a lessor or driver employed by the lessor;
- (6) Specifies that an employee who fails to use safety devices provided by the employer or to obey posted safety rules will have his or her compensation or death benefit reduced by not less than 25% or more than 50%;
- (7) Specifies that an employee who fails to obey any rule or policy related to a drug-free workplace or the use of alcohol will have his or her compensation and death benefit reduced by 50%;
- (8) Specifies that an employee's refusal to take a test for alcohol or a nonprescribed controlled substance will result in the forfeiture of benefits;
- (9) Requires that a claimant who either accepts an employer's initial offer or prevails in an action against an employer receive 100% of the initial offer;
- (10) Requires that the claimant's attorney fee agreement be for a portion of the amount of the claim in dispute;

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(11) Requires that certain claim information be given to the employer within 30 days of the diagnosis of a condition; and

(12) Requires that certain information must be provided to the employer within 30 days of the diagnosis for a claimant to receive compensation for any occupational disease or repetitive trauma.

#### COMPENSABILITY

The bill:

(1) Excludes as compensable any injury resulting from idiopathic causes;

(2) Requires that an injury sustained in a company-owned or subsidized automobile while traveling to or from home or work is not compensable;

(3) Specifies that the ordinary deterioration of the body caused by aging or ordinary activities performed in the course of day-to-day living is not compensable;

(4) Exempts as compensable any claim covered by federal law or filed under the workers' compensation laws of another state;

(5) Requires that an employee participating in a workplace-related recreational activity resulting in an injury not be compensable;

(6) Requires that certain diseases resulting from exposure to certain occupational hazards be recognized as an occupational disease and compensable. This provision applies to paid firefighters and police officers and only if a direct causal relationship is established;

(7) Requires that an injury caused by repetitive motion is compensable only if the occupational exposure is the prevailing factor resulting in the medical condition and disability; and

(8) Requires that an injury by occupational disease be compensable only if the occupational exposure was the prevailing factor in causing the resulting medical condition and disability.

#### DIVISION OF WORKERS' COMPENSATION

The bill:

(CONTINUED)

- (1) Authorizes the Labor and Industrial Relations Commission or the Director of the Division of Workers' Compensation to determine the location of hearings;
- (2) Clarifies the computation of the quarterly premium tax on insurance carriers remission amount required of employers;
- (3) Requires the division director, beginning October 31, 2005, to estimate the amount of benefits payable from the Second Injury Fund for the following year. The division director is also required to calculate the insured or self-insurers employer surcharge for the upcoming year;
- (4) Requires the division director, beginning January 1, 2006, to calculate the employer surcharge, which is not to exceed 3% of the projected following year requirement, less any remaining balance from the previous year;
- (5) Requires that the failure of the division director to calculate the surcharge by October 31 will result in the surcharge not becoming effective for any calendar quarter beginning less than 60 days from the date of the calculation;
- (6) Requires that claims history data be provided to the division rather than the Department of Health and Senior Services; and
- (7) Requires that the chief legal counsel working in the Jefferson City division office be compensated \$2,000 above 80% of the rate at which an associate circuit judge is compensated.

#### ADMINISTRATIVE LAW JUDGES

The bill:

- (1) Authorizes the Governor to appoint up to 40 administrative law judges;
- (2) Specifies the appointment, terms, member qualification, and duties of the Administrative Law Judge Review Committee;
- (3) Requires that all administrative law judges are subject to an annual performance audit administered by the review committee;
- (4) Requires that an administrative law judge receiving two no confidence votes by the committee resign;
- (5) Requires that an administrative law judge or the commission

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approve a settlement agreement unless the agreement was found to be unjust;

(6) Requires, beginning January 1, 2006, that only administrative law judges and the commission have the power to review claims under the Workers' Compensation Law;

(7) Eliminates the legal advisor position; and

(8) Requires that the party initiating any proceeding found by the division or the commission to be without grounds may be assessed the costs of the proceedings.

#### GENERAL PROVISIONS

The bill:

(1) Requires that any member appointed or serving on the Labor and Industrial Relations Commission receive Senate confirmation within 30 days after the Senate convenes for regular session or immediately resign from the commission;

(2) Requires that, if a self-insured employer has filed for bankruptcy, the division is to notify any employee of the bankrupt employer having an open claim. The employee is required to provide certain information to the division, the court of jurisdiction, and the Missouri Private Sector Self-Insurance Guaranty Corporation. An employee failing to provide the required information within 30 days of the notice will bar the division from invoking jurisdiction over any matter for which the employee was entitled workers' compensation benefits;

(3) Requires the Attorney General, beginning January 1, 2006, to annually provide the division and the General Assembly with a report containing fraud and noncompliance prosecution costs and other pertinent information;

(4) Requires that an employer's experience rating not be affected by a medical claim of less than \$1,000;

(5) Requires that the Director of the Department of Insurance formulate trend factors that allow for comparison with trend factors developed by the advisory organization for each job classification;

(6) Updates testing and standards pursuant to occupational hearing loss;

(CONTINUED)

- (7) Allows certain recognized religious sects to opt out of the provisions of the Workers' Compensation Law;
- (8) Requires that a health care provider committing fraud under the Workers' Compensation Law is guilty of a class A misdemeanor and liable to the state for a fine of up to \$20,000. Any subsequent violation is a class D felony;
- (9) Requires that an insurance company or self-insurer who knowingly and intentionally refuses to comply with a compensation obligation with the intent to defraud is guilty of a class D felony;
- (10) Requires that any person who knowingly makes a false or fraudulent statement to an investigator of the division in the course of an investigation is guilty of a class A misdemeanor and liable to the state for a fine of up to \$10,000;
- (11) Requires that any entity falsely providing proof of workers' compensation insurance is guilty of a class D felony and liable to the state for a fine of up to \$10,000 or double the value of the fraud, whichever is the greater;
- (12) Requires that an employer who knowingly fails to insure his workers' compensation liability is guilty of a class A misdemeanor and a fine up to three times the cost of the insurance premium or up to \$50,000, whichever is greater.
- (13) Redefines "accident" to mean a specific, identifiable, traumatic event during a single work shift;
- (14) Defines "prevailing factor" to mean that the accident is the primary factor in relation to any other factor, causing both the resulting medical condition and disability;
- (15) Requires that an injury due to an accident be compensable only if the accident was the prevailing factor in causing the resulting medical condition and disability;
- (16) Requires that cardiovascular, pulmonary, respiratory, or other disease or a cerebrovascular accident or a myocardial infarction is an injury only if the accident is the prevailing factor in causing the resulting medical condition;
- (17) Requires that alcohol use be the proximate cause of the injury, provided the employer required the alcohol use as part of employment duties;

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- (18) Requires that a permanent partial disability compensation award be reduced to the extent that a pre-existing condition or attributable aging process caused or prolonged the disability;
- (19) Requires that a finding of permanent partial disability or permanent total disability be certified by a physician;
- (20) Requires that for the purpose of determining compensability and disability, objective medical findings will prevail over subjective medical findings;
- (21) Requires that, except where otherwise addressed, the American Medical Association's "Guide to the Evaluation of Permanent Impairment," 5th Edition, be used in determining the level of disability;
- (22) Requires that in applying the provisions of the Workers' Compensation Law it be the intent of the General Assembly to reject and abrogate earlier case law interpreting the definition of "accident," "occupational disease," "arising out of," and "in the course of employment";
- (23) Excludes a limited monetary bonus from the employee's total yearly pay when calculating the amount of compensation the employee is entitled;
- (24) Excludes from admissibility any requested document, information, or statement pursuant to a claim unless provided within 30 days. The term "statement" does not include video, motion picture, or any reproduction of an image;
- (25) Requires that provisions of the Workers' Compensation Law be construed strictly and conflicting evidence be weighed impartially in the resolution of any conflict;
- (26) Requires that the burden of establishing any affirmative defense be on the employer;
- (27) Requires that the burden of proving an entitlement to compensation be on the employee or dependent; and
- (28) Specifies that a for-hire motor carrier not be determined to be an employer of a lessor or driver employed by the lessor and it is the intent of the legislature to reject and abrogate earlier case law interpreting the meaning of "owner," as extended in certain cases.

HCS SCS SB 10 & 27 -- CONTROLLED SUBSTANCES

This bill creates several restrictions regarding the sale of compounds containing ephedrine or pseudoephedrine and makes pseudoephedrine a Schedule V drug. Compounds containing ephedrine and pseudoephedrine may be sold only by pharmacies. The pharmacy must keep a log of all sales, keep these products behind a counter where the public is not permitted, and demand photo identification from the purchaser proving he or she is at least 18 years old. All records of these sales will be open for inspection by law enforcement officials.

The purchase of products containing ephedrine or pseudoephedrine is limited to nine grams of ephedrine or pseudoephedrine per month, unless purchased by prescription. Current law limits only the amount of ephedrine or pseudoephedrine that may be purchased at one time.

The 30-day restriction does not apply to compounds that are in a liquid or liquid-filled gel capsule form. However, a person may not buy more than nine grams in liquid form at one time. The Department of Health and Senior Services may, by rule, grant exemptions for any drug that the department finds is not used in the illegal manufacture of methamphetamine or other controlled substances.

The bill removes a provision which exempts retailers from the sales restrictions when they have an electronic anti-theft system in place to prevent the theft of these drugs and a provision that protects the owner of the store from liability as long as the owner has a training program in place to inform employees of the sales restrictions.

A violation of the provisions of the bill is a class A misdemeanor.

The bill contains an emergency clause.

HCS SB 21 -- ADOPTION RECORDS AND PUTATIVE FATHER REGISTRY FUND

Currently, the Children's Division within the Department of Social Services maintains a registry whereby birth parents and adopted adults may indicate their desire to be contacted. Adopted adults must petition a court to obtain identifying information regarding their biological parents. This bill allows courts to directly disclose identifying information to an adopted

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adult upon their written request if their biological parents or adult siblings have consented in writing to the disclosure. Adult siblings are also allowed to participate in the registry. The definitions for "adopted adult" and "adult sibling" are changed to include those who are 18 years of age or older, and the definition of "adopted child" is changed to include any adopted person who is younger than 18 years of age.

The bill creates the Putative Father Registry Fund in the state treasury for the deposit of moneys received from the filing fees of an adoption petition to be used solely for the administration of the putative father registry. Moneys in the fund will not revert to general revenue at the end of the biennium. The department is allowed to establish and implement an advertising campaign to recruit adoptive and foster care families and is required to establish a 24-hour, toll-free telephone number to assist persons inquiring about becoming adoptive or foster parents.

#### HCS SCS SB 24 -- FRANKLIN COUNTY LAW LIBRARY FUND

Currently, an additional \$10 fee is imposed on most court cases in Franklin County for their law library fund. This bill establishes an expiration date of December 31, 2014, on the collection of this fee.

#### HCS SS SCS SB 37, 322, 78, 351 & 424 -- ALCOHOL-RELATED OFFENSES

This bill changes the laws regarding driving while intoxicated. In its main provisions the bill expands the crime of involuntary manslaughter in the first degree and increases the penalty to a class B felony under certain circumstances. The crime is a class B felony when a person operates a motor vehicle in an intoxicated condition and with criminal negligence:

- (1) Causes the death of any person not a passenger in the vehicle operated by the defendant;
- (2) Causes the death of two or more persons; or
- (3) Causes the death of any person while the defendant's blood-alcohol content is greater than .18%.

The bill changes the definition of "persistent offender."

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Currently, "persistent offender," as used in Chapter 577, RSMo, is defined as a person with two or more convictions for intoxication-related offenses during the past 10 years. The bill removes the time requirements.

Two new types of offender status, "aggravated offender" and "chronic offender," are created for the purposes of applying the enhanced penalties and prison requirements of Section 577.023. An aggravated offender is a person convicted of:

- (1) Three intoxication-related offenses; or
- (2) Two intoxication-related offenses, when one of them is for involuntary manslaughter, murder in the second degree when the underlying felony is an intoxication-related offense, aggravated vehicular manslaughter, assault in the second degree, or assault of a law enforcement officer in the second degree.

A chronic offender is a person convicted of:

- (1) Four or more intoxication-related offenses;
- (2) Involuntary manslaughter, aggravated vehicular manslaughter, assault in the second degree, or assault of a law enforcement officer in the second degree on two separate occasions; or
- (3) Involuntary manslaughter, aggravated vehicular manslaughter, assault in the second degree, or assault of a law enforcement officer in the second degree, and two other intoxication-related offenses.

The bill makes driving while intoxicated or driving with an excessive blood-alcohol content a class C felony when the defendant is sentenced as an aggravated offender, and a class B felony when sentenced as a chronic offender. Aggravated offenders must serve at least 60 days of imprisonment and chronic offenders at least two years of imprisonment before becoming eligible for probation or parole.

The bill expands the crime of endangering the welfare of a child in the second degree, a class A misdemeanor. The offense is committed when a person operating a motor vehicle commits involuntary manslaughter, assault in the second degree, driving while intoxicated, or driving with excessive blood-alcohol content while a child younger than 17 years of age is in the vehicle.

In other provisions, the bill:

(CONTINUED)

(1) Makes it a class A misdemeanor for a property owner to allow someone younger than 21 years of age to drink or possess alcohol on the owner's property; and

(2) Removes the requirement that a municipal judge must be a licensed attorney for any intoxication-related convictions in that court to be considered in an offender's sentence enhancement.

#### HCS SB 38 -- MEMORIAL HIGHWAYS

This bill removes the portion of Interstate 44 in Jasper County from the designation as the "George Washington Carver Memorial Highway." This portion was already designated as the "Congressmen Gene Taylor Highway" prior to the designation as the "George Washington Carver Memorial Highway."

The bill also designates a portion of U. S. 71 at the intersection of Interstate 44 in Jasper County south to State Route V in Newton County as the "George Washington Carver Memorial Highway."

#### SCS SB 68 -- SALES TAX EXEMPTION FOR COLLEGE ATHLETIC EVENTS

This bill authorizes a sales tax exemption on the purchase of tickets to college athletic events. However, tickets to games played on the campus of a participating conference member institution are not included in this exemption.

#### SCS SB 69 -- CONVEYANCE IN JACKSON COUNTY

This bill authorizes the Governor to convey state property, currently used by the Division of Probation and Parole and the Division of Employment Security, located in downtown Kansas City to the City of Kansas City for the downtown revitalization project.

The bill contains an emergency clause.

SB 71 -- DISASTER SERVICE VOLUNTEERS

This bill allows a state employee to be granted leave with pay while serving as a disaster service volunteer for the State Emergency Management Agency.

SCS SB 73 -- SEX OFFENDER REGISTRY

This bill allows each county sheriff to maintain a web page, available to the public, providing information about registered sexual offenders in the county. The web page must include a search capability and may show only an offender's name, address, photograph, and the crimes for which the offender was required to register.

HCS SS SCS SB 74 & 49 -- DEPARTMENT OF HEALTH AND SENIOR SERVICES

This bill changes the laws regarding programs administered by the Department of Health and Senior Services. In its main provisions, the bill:

- (1) Specifies that beginning April 1, 2007, immunizations administered to children under the age of three and to knowingly pregnant women cannot contain more than one microgram of mercury per five-tenths milliliter dose;
- (2) Allows the department director to exempt the use of a vaccine from compliance with the mercury requirement in the event of a public health emergency;
- (3) Specifies that newborn screening requirements are not limited to the disorders and conditions currently listed in law;
- (4) Requires health care employers to make information available to employees about the risk of exposure to hepatitis C;
- (5) Requires the department to maintain a Missouri hepatitis C web site about the availability of testing for hepatitis C and information about hepatitis;
- (6) Creates in the state treasury the Department of Health and Senior Services Administrative and Cost Allocation Fund and the Department of Health and Senior Services Disaster Fund. The administrative and cost allocation fund will receive funding by

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appropriations, deposits, and moneys transferred or paid to the department in return for goods and services provided. The disaster fund will be used during a state of emergency at the direction of the Governor to furnish immediate aid and relief;

(7) Allows any interest earned on the Missouri Public Health Services Fund to accrue to the fund and not lapse to the credit of the general revenue at the end of the biennium;

(8) Requires a birth certificate to be filed within five days, instead of the current seven days, certifying the place, time, and date of the live birth by a signature or an electronic process approved by the department;

(9) Allows medical certifications filed when applying for a certificate of death to have their accuracy attested to by either a signature or an electronic process approved by the department;

(10) Allows prescription information to be submitted electronically;

(11) Establishes the Missouri Senior Advocacy and Efficiency Commission within the department and specifies the commission's duties; and

(12) Authorizes the department to provide financial assistance for consumer-directed personal care assistance services to qualified individuals who are not eligible for the Missouri Medicaid Program and specifies the eligibility guidelines.

Certain sections of the bill contain an emergency clause.

#### HCS SS SB 95 -- LEAD POISONING ABATEMENT

This bill changes the laws regarding lead abatement and poisoning and establishes a checkoff on the Missouri income tax return for donations to the Childhood Lead Testing Fund.

The Department of Health and Senior Services must provide on its Internet web site educational information that explains the rights and responsibilities of the property owner and tenants of a dwelling and the lead inspector, risk assessors, and the lead abatement contractors. Authority is given to the department to re-enter a dwelling or child-occupied facility to determine if the owner has taken the required actions for the reduction of lead hazards to an acceptable level. If consent to enter is not granted, a petition for a court order may be taken.

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If the department finds lead hazards in commercial lead production areas where a child has been identified with an elevated blood level, the owner must comply with the requirement for abating or establishing interim controls for the hazards. Residential property owners in commercial lead production areas will not be deemed in violation after compliance with the requirement for abating or establishing interim controls required by the department per the initial risk assessment or be made to pay for any type of lead remediation necessary due to the commercial lead production and transport.

If a lead abatement contractor fails to notify the department prior to the commencement of a lead abatement project, the contractor will be fined \$250 for the first offense and \$500 for the second offense. Subsequent violations will be a class D felony and result in the doubling of the fines. Contractors are required to submit a final inspection certification to the department after completing a lead abatement project and maintain liability and errors and omission insurance.

The bill clarifies the notification process for those issuing grants or loans for lead abatement projects and specifies that the department director has authority to impose administrative penalties.

#### SS SCS SB 98 -- STATE INSTITUTIONS OF HIGHER EDUCATION

This bill changes the name of Southwest Missouri State University to Missouri State University; drops "Joplin" from the name of Missouri Southern State University-Joplin; and renames Missouri Western State College and Harris-Stowe State College as universities. Central Missouri State University is permitted to change its name to University of Central Missouri upon the approval of its governing board if it acts before August 28, 2007.

Missouri State University is prohibited from seeking land grant status or a research designation. The name change does not entitle the university to additional state funding. Cooperative programs in engineering and doctoral programs may be offered by Missouri State in conjunction with the University of Missouri, with the University of Missouri designated as the degree-granting institution. If the University of Missouri declines to cooperate within a year of program approval, Missouri State may cooperate with another institution or offer the degree directly. Missouri State University will not offer professional programs offered by

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the University of Missouri but may offer doctorates in audiology and physical therapy. The Coordinating Board for Higher Education retains the right of degree program approval.

In regard to Missouri Western State University, the bill:

(1) Places into law its mission as a statewide institution of applied learning;

(2) Changes its service area to Buchanan County and counties contiguous to Buchanan County and aligns the selection of its governing board members with the revised area; and

(3) Requires discontinuing its associate degree programs by July 1, 2010, unless the Coordinating Board for Higher Education approves their continuance.

The governing board of Missouri State University is increased from seven to nine voting members and the board of Missouri Southern State University is increased from seven to eight voting members.

#### HCS SCS SB 100 -- SPEECH PATHOLOGY AND AUDIOLOGY

This bill requires that a person who is applying for licensure by the State Board of Registration for the Healing Arts as a speech-language pathology assistant have a bachelor's degree in the field of speech-language pathology from an institution approved by a regional accrediting body recognized by the United States Department of Education. Persons with audiology clinical doctoral degrees are exempt from the current fellowship requirements in order to become licensed.

The Missouri Academy of Audiology and the Missouri Speech-Language-Hearing Association must recommend to the state board qualified persons to fill vacancies on the Advisory Commission for Speech-Language Pathologists and Audiologists.

#### HCS SCS SB 103 & 115 -- PUPIL RESIDENCY WAIVERS

This bill permits a school board to convene a committee, rather than a meeting of the full board, to hear pupil residency waiver requests.

SB 122 -- ENERGY EFFICIENCY IMPLEMENTATION ACT

This bill establishes the Energy Efficiency Implementation Act, which allows the Office of Administration to deposit 2.5% of their total cost savings into the Office of Administration Revolving Administrative Trust Fund. "Cost savings" is defined as expenses eliminated and future replacement expenditures avoided as a direct result of implementing guaranteed energy cost savings. A report outlining the cost savings will be prepared at least annually to the Governor, President Pro Tem of the Senate, and Speaker of the House of Representatives.

SB 131 -- DOMESTIC INSURER INVESTMENTS

This bill allows domestic insurance companies to invest capital, reserves, and surpluses in preferred or guaranteed stocks.

SCS SB 133 -- CAFETERIA PLAN FOR STATE EMPLOYEES

This bill requires the Commissioner of the Office of Administration to include in the Missouri State Employees' Cafeteria Plan products eligible under Section 125 of Title 26 of the United States Code, including payments to the state by vendors providing the products for the cost of administering the deductions as established by the Office of Administration.

SB 149 -- STATE PERSONNEL LAW

This bill establishes a separate hearing for an award of back pay and the establishment of a reinstatement date after the appeal of a decision in favor of a state merit system employee in a dismissal, demotion, or suspension.

CCS HCS SCS#2 SB 155 -- PROTECTION OF ABUSED CHILDREN

This bill changes the law regarding the protection of abused children.

CHILD PROTECTION

(CONTINUED)

A minor who has abused another child is prohibited from returning to any residence within 1,000 feet of the abused child's home, child care facility, or school until the abused child reaches 18 years of age. This prohibition does not apply when the alleged abuse occurred between siblings.

#### CHILD ABUSE AND NEGLECT REPORTS

The Children's Division of the Department of Social Services is required to expunge identifying information from child abuse and neglect reports by mandatory and all other reporters that has been found to be malicious, for purposes of harassment or retaliation, within 45 days after the conclusion of the investigation.

For all other reports containing insufficient evidence of abuse or neglect, the division is required to retain identifying information for a period of five years, instead of the current two years, from the conclusion of the investigation.

#### SB 156 -- PORT AUTHORITIES

This bill expands the purposes of port authorities in Missouri to include the promotion of development within the port district and expands their powers to include the ability to redevelop land and conduct land reclamation and resource recovery with respect to unimproved land, residential developments, commercial developments, and mixed-use developments.

Currently, port authorities may operate a recreational facility, industrial parks, terminals, and warehouses for five years if no private operators are available to do so. After five years, the authority must request competitive bids from private operators. This provision is removed and instead authorizes port authorities to enter into agreements with private operators or public entities for the joint development of property within the port district.

#### HCS SS SCS SB 168 -- RESTRICTIVE REAL ESTATE COVENANTS AND DEFECTIVE RESIDENTIAL CONSTRUCTION

This bill requires that any restrictive real estate covenant included in an association's governing document will be removed by the board of directors of that association. If the

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association fails to remove a restrictive covenant within 30 days of receiving a written request, injunctive relief may be granted to any individual or organization requesting the removal. This provision becomes effective January 1, 2006.

A procedural prerequisite for filing a lawsuit for defective residential construction is established. In its main provisions, the bill:

- (1) Requires contractors to provide written notice to homeowners, including homeowners' associations, upon entering contracts of the right to offer to cure construction defects before homeowners may file legal actions and specifies the required notice language;
- (2) Clarifies that if a homeowner countersues a contractor in a suit originally filed by the contractor against the homeowner, the procedural prerequisites do not apply;
- (3) Requires homeowners to provide a written notice to contractors detailing the alleged defective construction prior to filing a lawsuit;
- (4) Requires contractors to respond timely in writing offering an inspection followed by repair, monetary compensation, or disputation of the claim; offering timely repair; offering repair and compensation; offering monetary compensation; or disputing the claim. If the contractor disputes the claim or fails to timely respond, the homeowner may file suit. If the homeowner rejects a contractor's offer, the homeowner must notify the contractor, and then the homeowner can file suit. If the homeowner accepts a contractor's offer that includes repair, the homeowner must provide reasonable access to the premises;
- (5) Authorizes the homeowner to take immediate action to prevent imminent injury to persons or additional significant and material damage to the residence without violating the procedural prerequisites; and
- (6) Specifies the mediation procedure option if agreed upon by the homeowner and contractor.

SCS SB 170 -- HAZARDOUS WASTE

This bill extends until July 1, 2007, the time within which the Hazardous Waste Management Commission must promulgate rules and

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regulations regarding the dry-cleaning industry. Senate Bill 577 enacted in 2000 created the Dry-cleaning Environmental Response Trust Fund to pay for the commission's oversight of the dry-cleaning industry's use of hazardous chemicals and authorized the commission to promulgate rules for the implementation until July 1, 2002. The bill also removes from the commission's regulatory authority all dry-cleaning facilities using petroleum-based solvents. The fund and the commission's regulatory authority over all dry-cleaning facilities will expire on August 28, 2012.

The bill contains an emergency clause.

#### HCS SB 174 -- CONVEYANCE IN COLE COUNTY

This bill authorizes the Governor to convey state property located in Cole County to the Regional West Fire District in Cole County.

The bill contains an emergency clause.

#### SB 176 -- POLITICAL SUBDIVISION ELECTIONS

This bill allows Cole County to elect a sheriff, due to a vacancy in the office, at the general municipal election in April rather than at a special election in March as current law requires. This provision expires June 1, 2005.

The City of Poplar Bluff is authorized, upon voter approval, to impose a sales tax not to exceed 0.5% of all retail sales within the county to be used solely for funding economic development projects approved by the voters, including a transportation corporation.

The bill contains an emergency clause.

#### CCS HCS SB 177 -- PROFESSIONAL REGISTRATION

This bill changes the laws regarding the Division of Professional Registration and the Department of Health and Senior Services. The bill:

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(1) Includes extractions to the definition of "primary dental care" and "preventive health services";

(2) Authorizes the Department of Health and Senior Services to establish a fee schedule for specific licenses for emergency personnel. Moneys collected by the department will be deposited into the Missouri Public Health Services Fund. These provisions will not apply to persons employed by volunteer ambulance services;

(3) Removes the grandfather provisions regarding the licensing of geologists;

(4) Increases from 750 to 800 the number of hours a manicurist apprentice must complete in order to be licensed. A person is allowed to make application for the required cosmetology licensing examination if the person is a graduate of a foreign cosmetology program and the State Board of Cosmetology determines that the program has educational requirements which are substantially the same as an educational establishment licensed by the board;

(5) Establishes the Dental Hygienist Distance Learning Committee and authorizes the Department of Economic Development to contract with an institution of higher education to establish a distant dental hygienist learning program for the purpose of off-site clinical and didactic training. The program must meet all standards established by the Council on Dental Accreditation;

(6) Removes conflicting provisions of law regarding the definition of "physician assistants";

(7) Requires applicants for licensure as clinical social workers to complete 3,000 hours of supervised clinical experience under a licensed clinical social worker within a specified period of time. The bill removes the requirement that a licensed clinical social worker applying for a Missouri license pass an examination on Missouri laws and regulations governing the practice of social work and be a member in good standing of the Academy of Certified Social Workers. The bill authorizes the State Committee for Social Workers to require a minimum of 30 hours of continuing education for license renewal, requires the committee to establish ethical standards based on the code of ethics of the National Association of Social Workers, and clarifies the practice of baccalaureate social work;

(8) Requires all nursing home administrators licenses to expire on June 30 following the year it was issued and every other year

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thereafter. An administrator seeking a renewal must file an application during the month of May of the year of his or her renewal, accompanied by a fee, as provided by rule, payable to the Department of Health and Senior Services. All licenses issued or renewed during 2006 may be for either a one- or two-year term as dictated by rule;

(9) Redefines "student athlete" within the provisions regarding athletic contracts;

(10) Removes the requirement that the division wait 30 days before informing a licensee that he or she is in violation of his or her licensing requirements prior to engaging in settlement negotiations and shortens the time from 60 to 30 days that the licensee has to consider the settlement offer prior to contacting the respective board to discuss the settlement offer; and

(11) Authorizes the Board of Pharmacy to prepare an equitable salary schedule for employees attributed to the inspection of licensed entities.

#### SB 178 -- PODIATRISTS

This bill changes the laws regarding the licensing of podiatrists. The bill:

(1) Changes references of "podiatry" to "podiatric medicine" and "registration" to "licensure";

(2) Requires an applicant for licensure to take the exam of the National Board of Podiatric Medical Examiners and the exam of the State Board of Podiatric Medicine on applicable Missouri laws and regulations;

(3) Authorizes the state board to charge additional fees for duplicate licenses;

(4) Allows a person serving an internship in a Missouri hospital to obtain a temporary license for a two-year period;

(5) Allows for the biennial renewal of licenses;

(6) Requires a retired podiatrist to provide the state board sufficient evidence of the completion of all continuing education requirements prior to the reactivation of his or her license;

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(7) Increases the per diem for state board members from \$50 to \$70 a day; and

(8) Authorizes the state board to prohibit the reapplication of a revoked license for a period of two to seven years and may require the person applying for reinstatement to obtain all continuing education requirements and pass specified examinations.

#### SS SCS SB 179 -- COST RECOVERY FOR UTILITY COMPANIES

This bill allows electrical, gas, or water corporations to apply to the Missouri Public Service Commission for approval to make rate adjustments in order to recover their costs. The commission has the power to approve, modify, or reject any adjustment mechanism after hearing and considering all the relevant factors. The commission may approve the rate schedules if the adjustment mechanism is reasonably designed to provide the utility an opportunity to earn a fair equity return; includes provisions for an annual true-up to remedy any over- or under-collections; includes provisions to require the utility to file a general rate case with an effective date of no later than four years after the effective date of the initial adjustment mechanism implementation; and includes provisions for prudence reviews of the costs subject to the adjustment mechanism.

The bill will become effective January 1, 2006.

#### HCS SCS SB 182 -- LIQUEFIED PETROLEUM GASES

Currently, registered liquefied petroleum gas retailers are exempt from liability for actual or punitive damages for any injuries caused by the installation, modification, repair, or servicing of equipment and appliances which use liquefied petroleum gas. This bill adds to the exemption from liability persons who only sell liquefied petroleum gas in approved containers having a capacity of 50 pounds of propane or less that have been filled by another registered person.

Every person registered in Missouri pursuant to Chapter 323, RSMo, is required to demonstrate financial responsibility for compensating third parties for bodily injury and property damage caused by the release of liquefied petroleum gas. Financial responsibility may be demonstrated either by self insurance or by obtaining liability insurance in the required amounts of \$1 million per occurrence with an annual aggregate of \$2 million. The provisions of this section become effective January 1, 2006.

HCS SB 189 -- HEALTH CARE PROVIDER TAX

Currently, the pharmacy providers tax, the hospital federal reimbursement allowance, and the nursing home federal reimbursement allowance will expire in 2005. This bill extends the expiration date by one year and adds another federal reimbursement allowance for Missouri Medicaid Program managed care organizations.

The bill contains an emergency clause.

HCS SCS SB 196 -- SALES AND USE TAX EXEMPTION FOR MATERIAL RECOVERY OPERATIONS

This bill modifies the sales and use tax exemption definition for material recovery processing plants by requiring the plant to have as its primary purpose the recovery of materials into a useable product or a material to manufacture a new product. The exemption will include a facility or equipment which is used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but will not include motor vehicles used on highways. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered.

Electrical energy or gas, whether natural, artificial, or propane; water; and other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or any material recovery product produced or processed by a material recovery processing plant are included in the sales and use tax exemption.

HCS SCS SB 202, 33, 45, 183 & 217 -- ADMINISTRATIVE LAW JUDGES' AND LEGAL ADVISORS' RETIREMENT

This bill requires that any administrative law judge or legal advisor employed in that capacity for the first time on or after the effective date of the bill will not be eligible to participate in the Administrative Law Judges and Legal Advisors' Retirement Plan (ALJLAP). These individuals will be members of the Missouri State Employees' Retirement System (MOSEERS). Any administrative law judge or legal advisor, including their beneficiaries, spouses, or former spouses, who is employed or retired prior to this date will not be affected.

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The liabilities and assets of the ALJLAP will be transferred and combined with MOSERS. The contribution rate certified by the MOSERS board will include the amounts necessary to cover the costs of the ALJLAP.

The bill contains an emergency clause.

#### CCS HCS SS SCS SB 210 -- POLITICAL SUBDIVISIONS

This bill changes the laws regarding political subdivisions. In its main provisions, the bill:

- (1) Establishes a statewide mutual-aid system for emergencies and details the procedures and responsibilities for political subdivisions and participating agencies, including authorized mutual-aid agreements (Section 44.090, RSMo);
- (2) Allows a court administrator as well as a circuit court clerk to schedule the county salary commission meeting and serve as its temporary chairperson (Section 50.333);
- (3) Designates the presiding commissioner of Cass County as the county budget officer. Currently, the county auditor serves as the budget officer (Section 50.530);
- (4) Allows the board of the County Employees' Retirement System to determine if an additional benefit or enhancement improving the quality of life of future retirees is actuarially feasible. Benefit adjustments cannot be made until the retirement plan is 80% funded. Adjustments cannot be made more than once every 12 months and cannot increase the contribution rate by more than 1%. Adjustments, other than cost-of-living increases, will apply only to active employees (Sections 50.1030 and 50.1031);
- (5) Allows county commissions to budget one-time expenditures directly attributable to any county office, department, or court in a common fund or account so that the expenditures do not appear in the budget of the office, department, or court (Section 52.317);
- (6) Consolidates tax collection in counties having a township organization by eliminating the position of township collector and giving the responsibilities to the former treasurer ex officio collector, now called the "collector-treasurer." Laws generally applicable to county collectors will apply to county

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collector-treasurers except when they conflict with law specifically applicable to a county collector-treasurer, in which case, those laws will govern (Sections 54.010, 54.280, 54.320, 54.330, 65.110, 65.160, 65.460, 65.490, 65.600, 136.010, 136.160, 137.465, 137.585, 139.120, 139.350, 139.400, 139.420, 139.430, 139.440, 139.450, 139.460, 165.071, 242.560, 245.205, and 301.025);

(7) Raises from \$250 to \$1,000 the value of property for which the county auditor in first and second classification counties is required to inventory (Section 55.160);

(8) Removes the limitation which currently authorizes only first classification noncharter counties to appoint county counselors (Sections 56.060, 56.631, 56.640, 56.650, and 56.660);

(9) Defines "copying," "reproducing," and "duplicate" copies for purposes of Chapter 59, County Recorders of Deeds (Section 59.005);

(10) Specifies that when the recorder of deeds is separate from the circuit clerk in counties of the second, third, or fourth classification, the recorder must be paid the statutory compensation (Section 59.044);

(11) Changes the county planning board membership status of the county commissioner and county highway engineer in Cass County from voting members to nonvoting members (Section 64.215);

(12) Requires that expenditures over \$5,000 by the county sports complex authority in Jackson County must be competitively bid (Section 64.940);

(13) Prohibits St. Charles County from dissolving, eliminating, merging, or terminating the municipal fire department in the City of St. Charles without an affirmative vote of the city residents (Section 66.411);

(14) Adds special assessments for neighborhood improvement districts to the laws regarding the collection of property taxes and other local taxes (Sections 67.469, 140.150, and 140.160);

(15) Specifies that when any tax, interest, or penalty imposed in relation to the St. Charles County Convention and Sports Facilities Authority is not paid when due, the authority may file a notice of lien in the recorder's office and authorizes a civil action by the authority to enjoin the operation of any business or facility owing the tax or violating the provisions of the

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county convention and sports facilities authority laws (Section 67.1159);

(16) Authorizes any city or county to levy a sales tax of up to 0.5%, upon voter approval. This tax must be in lieu of the economic development sales tax allowed in Sections 67.1300 and 67.1303 (Section 67.1305);

(17) Allows metropolitan park and recreation district sales tax revenues earmarked for grants to be used to fund any recreation program or park improvement in St. Louis County (Section 67.1754);

(18) Changes the laws allowing all counties and the City of St. Louis to levy sales and property taxes for community services for children by clarifying that the sole purpose of the tax is to provide services to protect the well-being and safety of children and youth and to strengthen families (Sections 67.1775, 210.860, and 210.861);

(19) Extends authority to all cities and counties in the state to develop geographic information systems (GIS) and authorizes charges for the use of the systems (Section 67.1850);

(20) Modifies the current authorization which certain counties with significant lake shoreline have to impose, upon voter approval, a single retail sales tax not to exceed 1.5% for the purpose of promoting water quality, infrastructure, and tourism so that voters can approve one or more retail sales taxes not to exceed 1.5% in the aggregate for the purpose of affecting water quality, infrastructure, or tourism, singularly or in any combination (Sections 67.1922 and 67.1934);

(21) Allows St. Charles County to conduct and pay for the monitoring of blasting operations, whether the operation is located in an unincorporated area of the county or within the limits of a village, town, city, or municipality located within the county (Section 67.2535);

(22) Allows land sales pending plat approval if the owner/agent discloses in writing that the plat has not been approved and the sale is contingent upon the approval (Section 89.450);

(23) Prohibits, on or after January 1, 2006, the City of St. Peters from levying and collecting a license fee on hotels and motels in an amount exceeding \$1,000 per year and authorizes the city to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed one-eighth of 1% of the

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hotels' and motels' gross revenue. Other cities, including Edmundson and Woodson Terrace, are authorized to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed the greater of one-eighth of 1% of the hotels' and motels' gross revenue or the business license tax rate for the hotel or motel on May 1, 2005 (Section 94.270);

(24) Establishes the Downtown Revitalization Preservation Program which allows any municipality with fewer than 200,000 residents to undertake redevelopment projects to reduce blight in their downtown area if certain requirements are met (Sections 99.1080, 99.1082, 99.1086, 99.1088, 99.1090, and 99.1092);

(25) Adds junior college districts to the list of entities which must be notified of and receive payments in lieu of taxes from municipal industrial development projects involving the issuance of revenue bonds or the conveyance of municipal property. The bill also requires that, if the project plan is approved after May 15, 2005, in Franklin County, all affected taxing entities receive notice and payment in lieu of taxes (Sections 100.050 and 100.059);

(26) Changes from May to April when county commissions receive bids from banking institutions to be the county depository and changes from May 1 to April 1 when the bids are publicly opened (Sections 110.130 and 110.150);

(27) Allows the Cass County Commission to submit the formation of a board of election commissioners to a public vote. Currently, this issue may only be submitted for voter approval by initiative petition (Section 115.019);

(28) Defines "business personal property" and requires taxing authorities to exclude from their total assessed valuation 72% of the total amount of business personal property that is the subject of an appeal of the State Tax Commission or in a court. If the taxing authority uses a multi-rate approach, this exclusion is made from the personal property class (Section 137.071);

(29) Adds studio broadcast equipment, tower transmission and antenna equipment, and broadcast towers to the property tax depreciation schedules for broadcasting equipment (Section 137.078);

(30) Allows local government officials to accept cash, personal checks, business checks, money orders, credit cards, or electronic transfers of funds for the payment of any city or

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county tax or license. The local government may charge the person a fee equal to the amount charged to the county or city by the bank, processor, or issuer of the electronic payment (Sections 137.115, 139.040, 139.055, and 301.025);

(31) Creates a standardized schedule of depreciation and requires assessors to use it to establish uniformity in the assessment of depreciable tangible personal property. Business personal property placed into service before January 2, 2006, will not be affected by this provision (Section 137.122);

(32) Specifies that whenever an assessor or an employee has insufficient information to assess any real property or no taxable personal property list was submitted, he or she will assess the property based upon a physical inspection. The assessor or an employee will have the right to enter onto any land for the purpose of assessing the real or personal property but may not enter the interior of a structure without permission. The bill also removes a similar duplicate version of this provision passed in 1999 (Section 137.130);

(33) Changes the calculation of the amount of the transfer of certain county funds. Currently, counties are required to transfer from the county general revenue fund to the assessment fund an amount equal to an average of the three most recent years' payments. The bill requires that capital expenditures and equipment expenses identified in a memorandum of understanding signed by the county governing body and the county assessor be deducted from a year's contribution before computing the three-year average (Section 137.720);

(34) Eliminates the requirement that the territory contained within the corporate limits of an ambulance district be contiguous as long as it is within a five-mile radius of other district territory (Sections 190.010, 190.015, and 190.090);

(35) Allows fire protection districts in St. Louis County to create an ambulance district if the boards of the participating fire protection districts approve by a majority vote and the fire protection districts are contiguous (Section 190.015);

(36) Allows nursing home districts in Marion and Ralls counties to offer apartments for senior citizens which provide housing, food services, and emergency call buttons to the residents (Section 198.345);

(37) Allows the county commissions in Cass and Cooper counties to submit to a public vote a proposal to levy a tax to operate a

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county health center. Currently, this issue may only be submitted for voter approval by initiative petition (Section 205.010);

(38) Prohibits the Missouri Housing Development Commission, beginning January 1, 2006, from awarding grants or loans to the City of Kansas City until the city's governing body implements oversight procedures to review expenditures and development plans for all housing contracts in excess of \$100,000 (Section 215.246);

(39) Allows any county, upon voter petition and after a public hearing, to disincorporate any special road district (Section 233.295);

(40) Adds water supply districts to those entities that may sue landlords or tenants for past due bills less any security deposit amounts and requires those supplier entities to make a good faith effort to notify the property owner when the tenant's sewer or water bill is more than 30 days past due. The owner cannot be held liable for amounts due from the tenant for more than 90 days of service. In the cities of St. Louis and Kansas City, until January 1, 2007, owners cannot be held liable for more than 120 days of service and after that date owners cannot be held liable for more than 90 days of service. The water provider cannot be held civilly or criminally liable for terminating service due to the delinquency of the payment. This provision only applies to residences with their own private water and sewer lines (Section 250.140);

(41) Includes Schuyler and Worth counties in Section 263.245 which requires owners of land in certain counties to control all brush growing on their property that is designated as the county right-of-way or county maintenance easement and which is adjacent to any county road (Section 263.245);

(42) Changes the terms of fire protection district board members in St. Charles County from six years to four years over a period of time (Section 321.120);

(43) Reduces the residency requirement for fire protection district board members from two years to one year (Section 321.130);

(44) Prohibits fire district board members from being paid more than one attendance fee per week if the member attends more than one meeting in a calendar week (Sections 321.190 and 321.603);

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(45) Specifies that if a municipality in Jefferson County adopts or implements a residential construction regulatory system within its jurisdiction, fire protection districts cannot adopt or implement a system within the municipality's jurisdiction (Section 321.222);

(46) Specifies that the City of Harrisonville will be governed by Section 72.418 relating to city reimbursement to the fire protection district (Section 321.322);

(47) Authorizes public administrators in counties of the second, third, and fourth classifications to delegate their duties to deputies (Sections 473.770 and 473.771);

(48) Requires clerks who process passport applications for a fee to account for the expenditure of the fee in an annual report to the presiding judge and the Office of State Courts Administrator. The fees may only be used for the maintenance of the courthouse or to fund operations of the circuit court. Currently, the clerks must remit 80% of the fees collected to the state (Section 483.537);

(49) Authorizes Jasper County to collect an additional \$10 fee on civil cases filed excluding adoptions and small claims. This provision will expire on December 31, 2014 (Section 488.426);

(50) Removes a duplicate version of Section 488.429, passed in 2004, specifying how funds collected under Section 488.426 may be spent, which had an expiration date of December 31, 2014, for the entire section (Section 488.429);

(51) Specifies that when a change of venue is granted in a criminal case, the defendant will be housed in the county into which the cause is removed if the respective sheriffs do not agree. If the defendant remains housed in the county from which the cause is removed, that county's sheriff is responsible for the transportation of the defendant to all necessary court appearances (Section 545.550);

(52) Expands the purpose for which a tax charged on adult cabarets may be used from solely for background checks on cabaret employees to include general law enforcement use for the sheriff's department (Section 573.505);

(53) Authorizes the Governor to sell property located in Buchanan, St. Francois, and Jasper counties currently used by the Division of Workforce Development as career centers (Sections 1, 2, and 5);

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(54) Transfers the responsibility of computing county officials' salaries to the county salary commissions (Section 3);

(55) Authorizes Madison County to impose, upon voter approval, a local sales tax up to 1% for public recreational projects and programs, including land acquisition (Section 4);

(56) Authorizes the Governor to sell property located in Cole County (Section 6); and

(57) Authorizes the Department of Natural Resources to deed certain property at the Fort Davidson State Historic Park to the City of Pilot Knob in exchange for another parcel of property in Iron County (Section 7).

#### SB 211 -- MERCHANDISING PRACTICES

Currently, if a salesperson sells merchandise and is paid on a commission basis and the employer fails to pay the salesperson the agreed upon commission, the salesperson has a right to file a civil claim against the employer under Chapter 407, RSMo. This bill expands the provision by adding the selling of services.

#### HCS SB 216 -- STATE CRIME LABATORY EMPLOYEES

This bill requires depositions of employees of publicly funded crime laboratories to be taken in the county where the person is employed unless otherwise ordered by a court.

#### HCS SS#2 SCS SB 225 -- HAZARDOUS WASTE

Currently, each operator of a solid waste sanitary landfill or a transfer station in Missouri collects a charge of \$1.50 per ton, and each operator of the solid waste demolition landfill collects \$1 per ton for deposit into the Solid Waste Management Fund. These charges are adjusted annually by the same percentage as the increase in the federal Consumer Price Index (CPI). This bill requires that no annual adjustment be made to the charges imposed during October 1, 2005, to October 1, 2009, except those needed to fund the operating costs of the Department of Natural Resources. During this time, no annual increase will exceed the

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percentage increase measured by the CPI. The bill decreases the percentage dedicated to the elimination of illegal solid waste disposal from 42% to 39% and increases the percentage that will be allocated through grants to participating cities, counties, and districts from 58% to 61%. Of the 61%, 40% must be allocated based on the population of each district, and 60% will be allocated based on the amount of revenue generated within each district. The minimum a district may receive is increased from \$45,000 to \$95,000.

The bill eliminates the requirement that generators located outside the state must register with the department. Missouri treatment, storage, and disposal facilities are required to pay a fee equal to \$5 per ton or a portion thereof, not to exceed \$52,000 but not less than \$150 per site per year, for all hazardous waste received from outside the state. Payment for any other expenditures which are not covered under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 will be received by the Hazardous Waste Fund. Currently, 40% of all moneys collected by the department pursuant to hazardous waste regulation is deposited into the Hazardous Waste Remedial Fund and 60% deposited into the Hazardous Waste Fund. The bill allows for all moneys collected to be deposited into the Hazardous Waste Fund and eliminates the Hazardous Waste Remedial Fund.

The waste tire fee expired on January 1, 2004. The bill reimposes the fee until January 1, 2010. The department must give preference to contract bids for waste tire cleanups from vendors that are Missouri residents, employ Missouri workers, or use the tires for fuel or to manufacture a useful product. The department may consider prior performance in the awarding of the contract. A vendor will not be given a preference for a bid to fill a landfill with waste tires, waste tire chips, or waste tire shreds, including landfill cover.

The bill extends the operation of the Dry Cleaning Emergency Response Fund to 2012 and exempts dry cleaners who use non-chlorinated solvents from the program.

A 50-cent fee is imposed on each lead-acid battery sold. This fee is to be administered, collected, and enforced by the Department of Revenue.

CCS#2 HCS SCS SB 233 -- DESIGNATION OF HIGHWAYS AND BRIDGES

This bill changes the laws regarding the designation of highways and bridges.

HIGHWAY DESIGNATIONS

The bill designates:

(1) A portion of Interstate 44 in Greene County from State Route MM east to State Route 286 as the "Congressman Mel Hancock Freeway";

(2) A portion of U. S. Highway 412 in Dunklin County from the eastern limits of the City of Kennett to the western limits of the City of Hayti in Pemiscot County as the "Governor John M. Dalton Memorial Highway";

(3) A portion of State Highway 58 in Johnson County from the intersection of State Highway U west to State Highway 131 as the "Veterans Memorial Parkway";

(4) A portion of State Highway 370 in St. Louis County as the "Officer Scott Armstrong Memorial Highway";

(5) A portion of Interstate 44 in Phelps County from the Crawford County line west to the Pulaski County line, except where otherwise designated, as the "Governor Mel Carnahan Memorial Highway";

(6) A portion of U. S. Highway 61 from the intersection of State Route B south of the City of La Grange to the intersection of State Route B north of the City of Canton in Lewis County as the "Students of Missouri Assisting Rural Transportation (S.M.A.R.T.) Memorial Highway"; and

(7) A portion of State Highway 30 in St. Louis County from the intersection of Highway P northeast to the St. Louis city limits as the "Chief Jerry Buehne Memorial Road";

BRIDGE DESIGNATIONS

The bill designates:

(1) The bridge on State Highway 13 over the Missouri River between Lafayette and Ray counties as "The Congressman Ike Skelton Bridge"; and

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(2) The new bridge that will be built on State Highway 19 at Hermann as the "Senator Christopher S. Bond Bridge."

#### DESIGNATION PROCEDURES FOR HIGHWAYS AND BRIDGES

The bill establishes an application process for the designation of memorial highways and bridges. A designation will be allowed only to honor an event, place, organization, or a person who has been deceased for more than two years, except law enforcement officers killed in the line of duty.

To seek a designation, an organization must petition the Department of Transportation by submitting:

- (1) An application describing the proposed highway or bridge and the name of at least one member of the General Assembly who will sponsor the designation;
- (2) A list of at least 100 names supporting the designation;
- (3) A \$400 deposit per sign for construction costs; and
- (4) A \$600 deposit per sign for maintenance.

All moneys received by the department will be deposited into a newly created Department of Transportation Memorial Highway Sign Fund. The bill specifies the procedure for the disbursement of these funds and the transfer of any unexpended moneys at the end of the biennium.

All applications submitted to the department will be forwarded for approval to the House and Senate committees on transportation. If the designation is not approved, 97% of the application fee will be refunded.

The provisions of the bill will apply to a highway or bridge designation requested after August 28, 2005.

#### CCS HCS SS SCS SB 237 -- TELECOMMUNICATIONS COMPANIES

Currently, each telecommunications service of an incumbent local exchange telecommunications company will be classified as competitive in any exchange in which at least one alternative local exchange telecommunications company has been certified and has provided local telecommunications service in that exchange for at least five years. This bill specifies that two

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non-affiliated entities providing basic local telecommunications service to business customers within the exchange are required in order to be classified as competitive. The Missouri Public Service Commission is required to determine the weighted statewide average rate of non-wireless basic local telecommunications service as of January 1, 2006, two years thereafter, and five years thereafter.

The bill allows cable television corporations and companies to place their lines within the right-of-way of any state highway.

#### HCS SCS SB 238 -- LOCAL SALES TAX COLLECTION

This bill clarifies that cities, in addition to counties, may levy a sales tax and impose 25 cents on each \$100 of assessed valuation on taxable property for the purpose of providing certain services including counseling, family support, and temporary residential services to youth. The bill allows for the lawful collection of the revenues derived from the local sales tax by the Department of Revenue. All revenues collected under the property tax and the local sales tax, less 1% for the cost of collection, will be deposited into the Community Children's Services Fund created in the bill.

#### SCS SB 246 -- AUTHORIZATION OF BONDS

This bill authorizes the Board of Fund Commissioners, in addition to any amounts authorized prior to August 28, 2006, to issue bonds for grants and loans pursuant to several sections of Article III of the Missouri Constitution.

The authorizations are for:

- (1) \$10 million of bonds for waste water pollution control, drinking water systems improvements, and storm water control pursuant to Section 37(e);
- (2) \$10 million of bonds for rural water and sewer projects pursuant to Section 37(g); and
- (3) \$20 million of bonds for storm water control plans, studies, and projects in first classification counties and the City of St. Louis pursuant to Section 37(h).

HCS SCS SB 252 -- MILITARY FACILITIES AND PERSONNEL

This bill establishes the Missouri Military Preparedness and Enhancement Commission to design and implement measures to protect, retain, and enhance the present and future mission capabilities of military posts and bases around the state.

The commission's duties will include preparing a biennial strategic plan and an annual report. The nine-member commission will meet quarterly or more often if deemed necessary by the chair. Funding for the commission will be by appropriation, and the Department of Economic Development will provide administrative support staff.

The governing body or the county planning commission of Johnson County must provide for the planning and zoning within the unincorporated area that extends 3,000 feet outward from the boundaries of Whiteman Air Force Base and the area within the perimeter of accident potential zones one and two.

For the purpose of student resident status, military personnel stationed in Missouri, as well as their spouses and children younger than 24 years of age, will be regarded as Missouri residents.

The bill authorizes an individual income tax deduction for income received for military service in a combat zone, as defined in the bill, as long as the income is included in the individual's federal adjusted gross income. The deduction will apply to all taxable years beginning on or after January 1, 2005.

The bill contains an emergency clause.

SB 254 -- PRESCRIPTION MEDICATION IN SCHOOLS

This bill prohibits persons younger than 21 years of age from possessing or distributing a prescription medication on school property without a valid prescription. Possession of the medication is a class C misdemeanor, and a second or subsequent offense is a class B misdemeanor. Distribution of the medication is a class B misdemeanor, and a second or subsequent offense is a class A misdemeanor.

SCS SB 258 -- COUNTY HEALTH CENTERS

This bill allows the county commissions in Cass and Cooper counties to submit a proposal to levy a tax to operate a county health center to a public vote. Currently, this issue can only be submitted for voter approval by initiative petition.

SB 259 -- COUNTY PLANNING BOARDS

This bill changes the county planning board membership status of the county commissioner and county highway engineer in Cass County from voting members to nonvoting members.

SB 261 -- MISSOURI SMALL EMPLOYER HEALTH REINSURANCE PROGRAM

This bill prohibits the Missouri Small Employer Health Reinsurance Program from taking on any risk after October 1, 2005. Assets and moneys in the program will be transferred to the Missouri Health Insurance Pool to be used for the administration and operation of the pool.

HCS SCS SB 262 -- WINE AND LIQUOR SALES

This bill changes the laws regarding wine and liquor sales. In its main provisions, the bill:

(1) Extends the hours of business for premises operated by wine manufacturers who sell liquor by the drink from between the hours of 6:00 a.m. and midnight to 6:00 a.m. and 1:30 a.m. on Monday through Saturday and from 11:00 a.m. and 9:00 p.m. to 9:00 a.m. and midnight on Sunday. The amount of Missouri-produced wine which must be sold by persons obtaining certain liquor licenses is reduced from 100% to 75%;

(2) Allows the issuance of a license for liquor sales within 100 feet of any school or church if the applicant obtains the written consent of the municipal governing body upon providing 10 days' written notice to all property owners within 100 feet of the applicant's premises. Currently, licenses cannot be granted for liquor sales within 100 feet of any school or church. The bill creates an exception for this provision for church, school, civic, service, fraternal, veteran, political, or charitable

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clubs or organizations observing Fourth of July celebrations or which are exempt from federal taxes. Premises holding licenses issued prior to January 1, 2004, are also exempt from the 100-foot prohibition;

(3) Clarifies the provision for the usage of tags under the keg registration law enacted in 2003 and establishes a \$50 minimum keg deposit;

(4) Allows places of entertainment in St. Charles County to sell liquor by the drink on Sundays if the establishment has gross annual sales in excess of \$150,000, has been in operation for at least one year, and pays a fee of \$200 per year in addition to the licensing fees;

(5) Clarifies that an admission charge to an event at which alcohol is available at no extra cost does not constitute resale;

(6) Increases the amount of time from 120 to 168 consecutive hours that will be allowed for a temporary catering permit;

(7) Changes some references of the Division of Liquor Control to correctly reference the Division of Alcohol and Tobacco Control;

(8) Allows a person or entity to donate wine in the original package to charitable or religious organizations or educational institutions for fund-raising purposes;

(9) Allows a person to take home an open bottle of wine from a restaurant or winery. The wine must have been purchased with a meal or at the winery; the person must retain the receipt for the wine; and the wine must be resealed before leaving the restaurant or winery. The person will be exempt from any open container violation as long as the new seal on the wine bottle remains intact;

(10) Allows municipalities to sell vintage wine at an auction on consignment through auctioneers or by licensed, designated municipal employees through a sealed bid process; and

(11) Authorizes the issuance of an entertainment district special license to sell liquor by the drink from portable bars within the common areas of the entertainment district in historic downtown Kansas City and allows a person to carry drinks from one establishment to another within the district.

SCS SB 266 -- TEACHERS

Currently, the definition of "teacher" for the purposes of tenure includes certified teachers who teach at the pre-kindergarten level. This bill clarifies that these teachers must be teaching in pre-kindergarten programs for which no fees are charged.

SCS SB 267 -- PROPERTY TAX ASSESSMENT

This bill replaces deleted language which provided an opt-in provision for counties that had previously opted-out of the four rate tax calculation for property tax assessment. In instances where a political subdivision is contained within two or more counties and at least one of the counties has opted out of the four tax rate calculation, the bill requires the use of the single tax rate in effect prior to the enactment of House Bill 1150 passed in 2002.

HCS SCS SB 270 -- DUTIES OF THE STATE TREASURER AND THE LINKED DEPOSIT PROGRAM

This bill changes the laws regarding the duties of the State Treasurer and the Linked Deposit Program. In its main provisions, the bill:

- (1) Defines the terms "market rate," "unencumbered," and "well capitalized";
- (2) Changes the definition of "eligible agribusiness" and "eligible beginning farmer";
- (3) Adds the definition of "eligible facility borrower" which is a borrower qualified for a reduced rate linked deposit loan;
- (4) Specifies that any written contract between the State Treasurer and a depository of state funds is limited to five years or less. When investing state funds, due consideration will be given to the benefits to the economy and the welfare of the people of Missouri and to the aggregate return in earnings and taxes on the deposits;
- (5) Allows the State Treasurer to include as acceptable securities for state deposits mortgage securities, including qualified individual loans secured by deeds of trust on

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residential, commercial, or farm real estate. These loans underwritten and offered by financial institutions will conform with standards established by the State Treasurer and the Federal Home Loan Bank of Des Moines, Iowa. All financial institutions pledging securities will report monthly to the State Treasurer ensuring that they meet collateral requirements. Acceptable securities also include notes, bonds, debentures from farm or agricultural credit banks, and any investment in which the State Treasurer may invest. These two additions are not authorized for political subdivisions;

(6) Allows the State Treasurer to enter into agreements with private entities to provide services relating to his or her duties;

(7) Raises from \$360 million to \$720 million the amount that the State Treasurer may invest of aggregate deposits for linked deposits to eligible farming operations, agribusinesses, beginning farmers, and livestock operations; doubles the current individual amounts which may be invested in linked deposits; and removes a provision that limits the State Treasurer's ability to commingle allocations among the types of linked deposits;

(8) Allows the State Treasurer to determine the dollar amount of deposits made to certain eligible agribusinesses. Beginning August 28, 2005, lending institutions will give consideration to eligible borrowers who have not previously received linked deposits; however, nothing prohibits a lending institution from making a linked deposit loan to any entity that has previously received a linked deposit;

(9) Authorizes the State Treasurer to place linked deposits with a lending institution at certain below-market rates, but not below 1%. A good faith effort will be made to place loans with eligible minority- or female-owned entities. All linked deposit rates are determined by the State Treasurer. The deposit agreement will specify that the original deposit plus renewals will not exceed five years. The lending institution must repay the State Treasurer any linked deposit principal received from the borrower in the previous year. If the linked deposit is tied to a revolving line of credit agreement, it will be excluded from the repayment provisions of this section;

(10) Prohibits the State Treasurer from investing in any new linked deposit with any new eligible facility borrower after January 1, 2020;

(11) Creates two new categories of eligible facility borrowers

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that may participate in the linked deposit program. The new categories are a development facility which produces goods derived from an agricultural commodity or product and a renewable fuel production facility which produces an energy source derived from a renewable domestically grown organic compound capable of powering machinery;

(12) Removes Section 30.247, RSMo, which requires any bank account with an average daily balance of \$10,000 or more to be obtained through an open and competitive bid process; and

(13) Creates the State Treasurer's General Operations Fund to be used for the operational expenses of the office. The State Treasurer will determine daily the interest earned from investments of all state funds, except those of the Department of Transportation. Costs incurred for the administration of these funds will be deducted from this interest and deposited into the operations fund.

The bill contains an emergency clause.

#### HCS SCS SB 272 -- EXCURSION GAMBLING BOAT ADMISSION FEES

This bill limits the expenditure of excursion gambling boat admission fees received by any home dock city or county located in St. Charles County.

Expenditures for Fiscal Year 2008 and thereafter are limited to the percentage that admission fees are to the total revenues of the home dock city or county for Fiscal Year 2007. Any amount in excess of this limitation will be used for property tax relief.

Expenditures, other than for certain capital, cultural, and special law enforcement purposes, are limited beginning in Fiscal Year 2010 to 30% of the percentage that these expenditures are to the total received for admission fees. In Fiscal Year 2015, expenditures will be limited to 20%.

#### SB 274 -- TRAVEL CLUBS

This bill prohibits travel clubs from selling vacation benefits unless the club maintains an effective registration statement with the Attorney General. The requirements of the registration statement, which includes a \$50 fee, are specified. The Attorney

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General must approve or disapprove a travel club's registration statement within 30 days of its submission. If the registration is incomplete, the Attorney General must advise the club of the missing information in writing within 15 days from its submission. Travel clubs may submit registration renewal statements annually.

The bill gives an individual who has purchased travel benefits from a travel club the right to rescind and cancel the travel club purchase within three business days. This right cannot be waived. If an individual exercises this right, a full refund must be issued within 15 business days. If an individual purchased a travel club membership from a club that is not registered in Missouri, he or she has three years from the date of purchase to rescind and cancel the membership and to receive a full refund within 15 business days.

Individuals who have purchased a travel club membership and have a complaint regarding the purchase can file a written complaint with the Attorney General or the county prosecuting attorney. The office that receives the complaint must forward it to the travel club by registered mail within 10 working days. The travel club has 30 days from the date on which the complaint was filed to remedy the grievance. If the complaint is settled, the parties will execute a written mutual release containing the terms of the settlement. Payments arising from any settlement must be made within 15 business days of the settlement's signing date.

A person who violates these provisions is guilty of a class D felony and will be fined \$10,000. Fines collected will be deposited into the State School Moneys Fund and distributed to Missouri's public schools.

Any travel club which a court determines has failed to provide the required refund or failed to honor a settlement agreement must post a \$50,000 surety bond with the Attorney General.

SB 279 -- DEMAND DRAFTS

This bill changes the laws regarding the Uniform Commercial Code relating to negotiable instruments and bank deposits and collections. Transfer warranties and presentment warranties for negotiable instruments and bank deposits and collections will apply to demand drafts. The person submitting the demand draft warrants that the creation of the demand draft was authorized by the person identified as the maker of the check.

SB 280 -- COSMETOLOGY

This bill increases from 750 to 800 the number of hours a manicurist apprentice must complete in order to be licensed.

A person is allowed to make application for the required cosmetology licensing examination if the person is a graduate of a foreign cosmetology program and the State Board of Cosmetology determines that the program has educational requirements which are substantially the same as an educational establishment licensed by the board.

The State Board of Barber Examiners and the State Board of Cosmetology under the Division of Professional Registration in the Department of Economic Development are combined to become the State Board of Cosmetology and Barber Examiners.

CCS HCS SS SCS SB 287 -- EDUCATION

This bill comprehensively revises the state education funding formula to be phased in over seven years, beginning July 1, 2006. The current formula is tax levy-driven with an equalizing factor, the guaranteed tax base, to achieve the goal of providing the same amount of money per student, for each penny of the property tax rate levied by the school district. The new formula is based on student needs, with the main objective being a minimum amount of money that is needed to educate each child, known as the state adequacy target (SAT). The SAT is the minimum amount of money a district needs to educate each student.

To calculate the target, the Department of Elementary and Secondary Education will identify performance districts, which have perfect scores on their annual performance report, and the amount that those districts spend. This amount becomes the basis for the SAT, which will be recalculated every two years using the most current list of performance districts. The formula assigns additional weight to pupil counts for students who qualify for free and reduced lunch, receive special education services, or have limited English language proficiency. The aggregate percentage of the performance districts' weighted pupil counts forms the basis for thresholds. Any district with weighted pupil counts above the threshold percentages will receive additional "weight" for those students. These additional weights are added to the district's student population to arrive at the district's weighted average daily attendance.

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The product of the state adequacy target multiplied by the weighted average daily attendance is then multiplied by the dollar value modifier (DVM). The DVM is an index corresponding to the wage-per-job, on a regional basis, that captures 15% of the deviation from the state's median wage-per-job. The DVM cannot be applied at less than a 1.0 value. From this total, the district's local effort will be subtracted; and if the result is above zero, this number is the district's state aid payment. If the number is zero or below, the district will receive no less revenue on a per weighted average daily attendance basis than the district received in the 2005-2006 school year. The DVM is also applied to the hold-harmless payment, with the full effect of the DVM phased in over a three-year period. For school districts with average daily attendance of 350 students or less, the hold-harmless calculation will be based on the actual amount of state revenue received by the district in the 2004-2005 or 2005-2006 school year, whichever is greater, not a per-student figure.

The local revenue figure used in a district's state aid calculation is the amount of locally generated revenue the district would have received in Fiscal Year 2005 if its operating levy was set at \$3.43. The \$3.43 amount is called the performance levy. In every year after the first-year calculation, a district's local effort amount will be frozen, except for growth in fines, so that any growth in local revenue collections will not be used to offset state aid payments, as is currently done.

The categorical aid streams for transportation, the career ladder, vocational education, and educational and screening programs continue unchanged. The line 14 "at-risk," gifted, special education, and remedial reading categoricals are folded into the district's base amount, along with the cigarette tax and free textbook moneys. Revenues from gaming, which will be deposited into the Classroom Trust Fund established in the bill, will be distributed on an average-daily-attendance basis. The bill also creates option districts, which may elect to forgo state aid in return for regulatory relief. Placement of moneys in school district funds and the transfer of moneys between funds are revised to reflect the new formula and changes to the certificated salary compliance requirement.

An additional \$15 million annually will be distributed among districts with 350 students or less, with two-thirds of the funding in proportion to average daily attendance and one-third directed towards small districts that are at or above the performance levy, in proportion to their levies. During the seven-year formula phase-in period, districts with significant

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decreases in gifted and summer school programs will have funds corresponding to those decreased levels reduced from their current-year payments. A financial incentive for districts to provide summer school will be triggered if a 25% decrease from the 2005-2006 school year in the statewide percentage of summer school attendance occurs.

Clarifying language regarding state aid payments to the voluntary transfer program in the St. Louis area is included, and the percentage of reimbursement for transportation of those students is raised. The Joint Committee on Tax Policy will analyze local property tax assessment practices and submit a report to the General Assembly and the State Tax Commission, which must ensure that all counties are assessed accurately.

The bill increases minimum teacher salaries; revises charter school laws; and enacts other changes regarding accountability. Many sections of the bill revise existing law to correspond to the new terminology used in the formula, and many obsolete provisions are deleted.

The bill includes changes to special education services, including a requirement for the department to reimburse school districts for the costs of special education students that exceed three times the current expenditure per average daily attendance.

The special education policy changes will become effective on August 28, 2005. The remainder of the bill will become effective July 1, 2006.

#### SB 288 -- CONVEYANCE IN NODAWAY COUNTY

This bill authorizes the Governor to convey state property in Nodaway County to the Delta Nu Teke Association in exchange for receiving another parcel of land from the association.

#### SCS SB 289 -- GRAND JURY DUTIES

This bill removes the requirement that grand juries inspect public buildings and allows prosecutors to have discretion as to whether a grand jury will inspect public buildings.

SB 298 -- ST. LOUIS SCHOOL DISTRICT SUPERINTENDENTS

This bill clarifies that the City of St. Louis school district superintendent's supervision of the schools is subject to policies established by the board, rather than subject to the control of the board. Currently, the hiring of a treasurer, a commissioner of school buildings, and a director of personnel is required. The bill makes the hiring of these positions permissive. The requirement that the district's teaching appointments and promotions be based on merit is extended to all employee appointments and promotions.

SB 299 -- ST. LOUIS SCHOOL PRINCIPALS

This bill removes the remaining references to principals from the City of St. Louis tenure statute.

SCS SB 302 -- ST. LOUIS SCHOOL BOARD ELECTIONS

This bill specifies that the two St. Louis City school board members whose terms expire in April 2010 will continue to serve until November 2010 when their successors are elected. Thereafter, the election date for those two members will be filled at the general election in November, rather than the municipal election in April.

SB 306 -- SCHOOL BOARD MEMBERS

Currently, no member of a governing body of a political subdivision may sell more than \$1,500 of services or property to the political subdivision each year. This bill raises the limit to \$5,000 for school board members.

HCS SB 307 -- PUBLIC OFFICIALS AND EMPLOYEES

This bill increases from \$1,500 to \$5,000 per annum the amount that an elected or appointed official or an employee of the state or political subdivision may receive for performing services or selling, renting, or leasing property to their state agency or political subdivision.

SB 318 -- COMPENSATION FOR FINANCIAL INSTITUTION REGULATORS

This bill exempts, from merit system rules, those positions in the divisions of Finance and Credit Unions in the Department of Economic Development which are compensated through a dedicated fund obtained from assessments and license fees used for the examination and regulation of banks, trust companies, and credit unions.

The directors of these divisions will prepare a salary schedule for those positions. A comparison with similar positions at federal regulatory agencies will be completed, and in no instance will the compensation for state examiners be more than 90% of the parity for the corresponding federal positions in similar geographic locations as determined by the directors. Personnel will be compensated according to the schedule.

Costs incurred in the regulation of any bank, trust company, or other corporation will be reviewed at least annually by the Division of Finance to determine whether regulatory costs are offset by the fees and charges collected. The division director will revise the fees to the extent allowed by law or recommend to the General Assembly the necessary statutory charges to fully recover these costs.

Any interest earned in the dedicated funds will be used, upon appropriation, for the expenditures of the divisions in the succeeding fiscal year and for reducing the amount of the annual assessment an institution is charged.

HCS SB 320 -- MECHANICS' LIENS

This bill creates a lien against real estate for the non-payment of rental equipment fees. The lien may be for the reasonable rental value of the machinery or equipment during the period of actual use and for periods of non-use based on the rental contract. There may be no lien unless the improvements are made on commercial property, the amount of the claim exceeds \$5,000, and the party claiming the lien provides written notice within five business days of the commencement of the use of the rental property to the property owner that the rental equipment is being used on his or her property. The bill includes a statute of limitations which begins to run 60 days after all rental equipment or machinery is removed from the property.

SB 323 -- UMBILICAL CORD BLOOD BANKS

This bill establishes the eligibility criteria for awarding grants to umbilical cord blood banks. Recipients of the grants must agree to operate and maintain an umbilical cord blood bank in the state until at least the eighth anniversary of the award of the grant; to gather and preserve umbilical cord blood only from live births; and to comply with financial reporting requirements. The grants are awarded subject to specifically appropriated funds.

CCS HCS SS SB 343 -- JOB DEVELOPMENT PROGRAMS

This bill changes the laws regarding job development programs administered by the Department of Economic Development.

TAX INCREMENT FINANCING

The bill:

(1) Specifies that at no time can the annual amount approved for disbursement from the Missouri Supplemental Tax Increment Financing (TIF) Fund exceed \$32 million. Currently, the aggregate appropriation cannot exceed \$15 million (Section 99.845, RSMo); and

(2) Removes the requirement that all personnel and other costs incurred by the Department of Economic Development for the administration and operation of the Missouri Supplemental TIF Fund must be paid from general revenue and reimbursed by the TIF projects' developers. However, the state may ask that the reasonably incurred expenses of the departments of Economic Development and Revenue for the administration of the TIF projects be reimbursed from the revenues deposited into the Missouri Supplemental TIF Fund (Section 99.845).

MODESA

The annual amount approved for disbursement from the state supplemental downtown development fund is reduced from \$150 million to \$108 million (Section 99.960).

BUSINESS USE INCENTIVES FOR LARGE-SCALE DEVELOPMENT PROGRAM (BUILD)

The bill:

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(1) Authorizes certain development agencies or a corporation, limited liability company, or partnership that is formed on behalf of the development agency to act as an eligible industry for purposes of the Business Use Incentives for Large-Scale Development (BUILD) Program (Section 100.710); and

(2) Requires that \$950,000 of the \$15 million in tax credits authorized annually for BUILD be reserved for an approved project in the City of Kansas City (Section 100.850).

#### MISSOURI QUALITY JOBS PROGRAM

The bill:

(1) Establishes the Missouri Quality Jobs Program to provide incentives to businesses in return for the new tax revenues and other economic stimulus that will be produced by the new jobs created as a result of the program (Sections 620.1875 - 620.1890);

(2) Prohibits any qualified company that receives benefits through the program from receiving tax credits or exemptions for the same new jobs at the project facility through new or expanded business facilities, enterprise zones, relocating a business to a distressed community, and rural empowerment zones (Section 620.1881);

(3) Defines the following four project types (Section 620.1881):

(a) Small and expanding business projects which create at least 20 new jobs in two years if located in a rural area or 40 new jobs in two years if located elsewhere. In either case, the business cannot have more than 100 total employees. Qualified companies may retain for three years an amount equal to the withholding taxes from the new jobs if the average wage of the new payroll equals or exceeds the county's average wage. If the average wage of the new payroll is at least 120% of the county's average wage, the amount may be retained for five years;

(b) Technology business projects which create at least 10 new jobs within two years. Seventy-five percent of the jobs must be directly involved with the operations of the technology company. Qualified companies may retain for five years an amount equal to a maximum of 5% of the new payroll from the withholding tax of the new jobs if the average wage of the new payroll equals or exceeds the county's average wage. An additional 0.5% of new payroll may be retained if the average wage of the new payroll

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exceeds 120% of the county's average wage in any year. If the average wage of the new payroll exceeds 140% of the county's average wage in any year, an additional 0.5% may be retained. The credit for any difference between the benefit allowed and the withholding tax retained in the event that the withholding tax is not sufficient to provide the entire benefit due to the qualified company. The maximum amount of tax credits that may be issued in a calendar year is \$500,000, and the credits cannot be carried forward but may be sold. A refund will be issued to the qualified company if the credits exceed the company's tax liability;

(c) High-impact projects which create at least 100 new jobs within two years. Qualified companies may retain an amount from the withholding tax of the new jobs equal to 3% of new payroll for a period of five years if the average wage of the new payroll equals or exceeds the county's average wage. A qualified company may retain 3.5% of new payroll if the average wage of the new payroll in any year exceeds 120% of the county's average wage or 4% of the new payroll if the average wage in any year exceeds 140% of the county's average wage. An additional 1% of new payroll may be added if local incentives are between 10% and 24% of the new direct local revenues; 2% of new payroll may be added if the local incentives are between 25% and 49%; or 3% of new payroll may be added if the local incentives are 50% or more of the new direct revenue. The department will issue a refundable tax credit for any difference between the benefit allowed and the withholding tax retained in the event that the withholding tax is not sufficient to provide the entire benefit due to the qualified company. The maximum amount of tax credits that may be issued in a calendar year is \$750,000. This amount may be increased to \$1 million if the action is proposed by the department and approved by the Quality Jobs Advisory Task Force. This tax credit cannot be carried forward but may be sold. A refund will be issued to the qualified company if the credits exceed the company's tax liability; and

(d) Job retention projects in which the qualified company has employed at least 1,000 full-time, year-round employees during the two years prior to the year in which the application for the program is made. The average wage for these employees must be greater than the county's average wage and the same level of full-time, year-round employees must be retained after the application is made. The qualified company must make a \$70 million investment or a \$30 million investment while maintaining an annual payroll of at least \$70 million. In either case, the investment must be made within two years of making an application for the program. Local taxing entities must provide local

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incentives of at least 50% of the new local revenues created by the project for 10 years. The tax credit may be up to 50% of the withholding tax generated by the full-time, year-round employees at the project facility for five years. The maximum amount of tax credits that may be issued in a calendar year is \$750,000. This amount can be increased to \$1 million if the action is proposed by the department and approved by the Quality Jobs Advisory Task Force. The total amount of tax credits issued for all projects cannot exceed \$3 million annually, and no tax credits will be issued after August 30, 2007. This tax credit cannot be carried forward but may be sold. A refund will be issued to the qualified company if the credits exceed the company's tax liability;

(4) Requires qualified companies to provide an annual report to the department documenting the basis for the benefits of this program (Section 620.1881);

(5) Stipulates that the maximum amount of tax credits that may be issued in a calendar year for the entire program is \$12 million. The bill reduces the annual amount of tax credits that may be authorized for relocating a business to a distressed community from \$10 million to \$8 million and specifies that the remaining \$2 million must be transferred to the program. There is no limit on the amount of withholding taxes that may be retained by approved companies under the program (Section 620.1881);

(6) Requires that employees of qualified companies receive full credit for the amount of taxes withheld (Section 620.1881);

(7) Establishes the Quality Jobs Advisory Task Force consisting of the chairperson of the Senate committee on economic development, the chairperson of the House committee on economic development, a member of the House committee on economic development appointed by the Minority Leader of the House of Representatives, a member of the Senate committee on economic development appointed by the Minority Leader of the Senate, the Director of the Department of Economic Development, and two members appointed by the Governor (Section 620.1887);

(8) Requires the department to submit an annual report to the General Assembly by March 1 of each year. The bill specifies the requirements of the report (Section 620.1890);

(9) Authorizes the department to charge the recipient of any tax credit a fee in an amount of up to 2.5% of the tax credits issued. The fee must be paid when the tax credits are issued;

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however, no fee will be charged for youth opportunities and violence prevention, the Family Development Account, or neighborhood assistance tax credits (Section 620.1900); and

(10) Creates the Economic Development Advancement Fund for the deposit of all fees for tax credits. At least 50% will be appropriated for marketing, technical assistance, training, contracts for specialized economic development services, and new initiatives and pilot programming to address economic trends. The remaining money may be appropriated for staffing, operating expenses, and accountability functions of the department (Section 620.1900).

#### LOCAL OPTION SALES TAX

Any city or county is authorized to levy a sales tax of up to 0.5%, upon voter approval. This tax must be in lieu of the economic development sales tax allowed by Sections 67.1300 and 67.1303. Revenue collected from this tax will be deposited by the Director of the Department of Revenue into the city's or county's local option economic development sales tax trust fund. These funds will not be considered state money and will be distributed monthly to the city or county which levied the tax. The bill specifies how the funds are to be spent and requires that the city or county establish an economic development tax board. Funds cannot be used for retail development except for the redevelopment of downtown and historic districts. The Department of Economic Development must submit to the Joint Committee on Economic Development by March 1 of each year a report on the status of each project using this sales tax. The bill specifies what must be included in this report (Section 67.1305).

#### ENTERPRISE ZONES - RETAINED BUSINESS FACILITIES TAX CREDIT

The bill extends the period of time for the approval of an essential industry retention project for the purposes of the Retained Business Facilities tax credit from December 31, 2005, to December 31, 2007 (Section 1).

#### BUSINESSES IN A DISTRESSED COMMUNITY

The bill expands the term "computer programming" corporation to include Internet, web hosting, and other information technology and the term "telecommunications corporation" to include wireless, wired, or other telecommunications corporations allowing these corporations to receive a tax credit for investing in or relocating a business to a distressed community (Section 135.535).

SS SCS SB 346 -- WATERCRAFT OUTFITTERS

This bill gives immunity to outfitters of paddlesport activities for injuries or the death of a participant due to the inherent risks of paddlesport activities. Outfitters are not immune from liability arising out of an employer-employee relationship. Outfitters are also not immune from liability when an outfitter acts intentionally or negligently, provides unsafe equipment or watercraft, fails to provide a personal flotation device, or fails to exercise ordinary care. All outfitters must post and maintain a warning in a clearly visible location and must include the warning in all contracts with participants.

SB 347 -- LICENSING OF PROFESSIONAL COUNSELORS

After August 28, 2007, this bill requires all applicants for licensure as a professional counselor to provide the Committee for Professional Counselors with evidence of the completion of a minimum of three hours of graduate-level course work in diagnostic systems in the curriculum leading to their degree. The committee is authorized to establish continuing education requirements for professional counselors to maintain and renew their licenses.

HCS SCS SB 355 -- AGRICULTURE

This bill changes the laws regarding agricultural programs in Missouri.

FUEL ETHANOL PRODUCER INCENTIVE FUND

The Fuel Ethanol Producer Incentive Fund was created to provide economic incentives for the production of ethanol in Missouri. Qualified ethanol producers receive a monthly incentive grant for 60 consecutive months in an amount determined by the number of gallons of ethanol produced. The bill extends the expiration date of the producer incentives from December 31, 2007, to December 31, 2015.

BIODIESEL FUEL

The bill removes the requirement that the Missouri Qualified Biodiesel Incentive Fund be funded with moneys other than from general revenue.

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Missouri qualified biodiesel producers are eligible to receive a monthly production incentive grant from the fund for 60 consecutive months. If the producer fails to receive the full grant amount during the 60-month period due to a lack of appropriations to the fund, the 60-month eligibility period may be extended for an additional 24 months or until the producer receives the full grant amount.

Qualified biodiesel producers receive grants in an amount equal to 30 cents per gallon for the first 15 million gallons of biodiesel produced in a fiscal year. The bill provides for a 10 cent per-gallon grant on the next 15 million gallons produced in the same fiscal year.

The expiration date of the Biodiesel for Schools Program is extended from the 2005-2006 school year to the 2011-2012 school year. The program allows school districts to establish contracts with nonprofit, farmer-owned new generation cooperatives to supply bus fuel containing at least 20% biodiesel.

#### MOTOR FUEL TAX

The bill authorizes the ultimate vendor, delivering 100 or more gallons of gasoline to a certified farmer, to make a claim for a refund of the motor fuel tax at the time of delivery. This provision has an effective date of January 1, 2006.

#### SALES AND USE TAX

The bill exempts from state and local sales and use taxes natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity and field drain tile used exclusively for producing crops; raising and feeding livestock, fish, poultry, pheasants, chukar, and quail; or for producing milk for retail sale.

#### FOOD INSPECTIONS

The bill exempts certain food sales from food inspection laws. All foods which are not potentially hazardous foods made by religious, charitable, or nonprofit organizations for sale at their religious or charitable events will be exempt from the state food inspection laws.

Sellers of jams, jellies, and honey will be exempt from specified production requirements as long as they do not sell more than \$30,000 worth of jams, jellies, and honey per domicile, per year.

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These sellers also will be exempt from all other health standards pursuant to Sections 196.190 - 196.271, RSMo, as long as the following requirements are met:

(1) The jams, jellies, and honey must be manufactured in the domicile of the person processing and selling them;

(2) The jams, jellies, and honey must be labeled in legible English with certain information;

(3) A placard must be displayed in a prominent location stating that the product has not been inspected by the Department of Health and Senior Services; and

(4) A record of jams, jellies, and honey processed and sold must be maintained.

Anyone who violates these provisions may be issued an injunction by the department preventing them from selling jams, jellies, and honey.

#### DRAINAGE AND LEVEE DISTRICTS

The bill gives any drainage district, levee district, or drainage and levee district two years after the lapse of the corporate charter to reinstate and extend the time of its corporate existence through the circuit court having jurisdiction.

This provision of the bill has an emergency clause.

#### MISSOURI WINE AND GRAPE BOARD

The bill establishes the Missouri Wine and Grape Board to promote the growth and development of the grape-growing industry in Missouri. The 11-member board will consist of seven current members of the Missouri Wine and Grape Advisory Board and four ex officio members, including the president of the Missouri Grape Growers Association, the president of the Missouri Vintners Association, the president of the Missouri Wine Marketing and Research Council, and the Director of the Department of Agriculture. All board members including the ex officio members will be voting members. The appointment, terms, meeting requirements, powers, and duties of the board are specified in the bill. An executive director will be hired to administer, manage, and direct the affairs of the board.

The Missouri Wine and Grape Fund is created for the deposit of moneys that currently are credited to the Marketing Development

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Fund. The moneys in the fund will be used exclusively for programs for the growing, selling, and marketing of grapes and grape products in Missouri.

#### PESTICIDES

The University of Missouri Extension is authorized to collect a fee for the actual cost of providing an instructional course on the application of pesticides to a private applicator in order to qualify for a certified private applicator's license. The fee will be paid upon completion of the course. The costs associated with the course will be reviewed annually by the Director of the Department of Agriculture and the university.

#### TAX CREDIT WAITING PERIOD

The bill removes the two-year waiting period before a contributor receiving a tax credit for a cash contribution to the Agricultural and Small Business Development Authority can be an owner, member, investor, or lender of an eligible new generation cooperative or eligible new generation processing entity that receives financial assistance from the authority.

#### MEAT INSPECTION STANDARDS

Currently, all commercial plants slaughtering and/or processing livestock or poultry for human consumption are required to be operated in accordance with prescribed standards. The bill designates llamas, alpaca, and buffalo as livestock and makes them subject to the same standards.

#### PREMISES REGISTRATION INFORMATION CONFIDENTIALITY

Any information related to premises registration is required to be kept confidential and shared only with state and federal animal health officials. The information is not subject to subpoena except by a state or federal agency.

#### SB 367 -- STATE EMPLOYEES

This bill changes the requirement for the payment of overtime hours for nonexempt state employees providing direct client care or custody in facilities operated by the Department of Corrections, Department of Mental Health, Division of Youth Services of the Department of Social Services, and Veterans Commission of the Department of Public Safety from within the

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calendar quarter to within the calendar month following the request for the payment.

The bill also allows any state employee, appointee, or elected official to satisfy state income taxes or other taxes owed by voluntarily entering into an approved payment plan through a payroll deduction.

#### HCS SCS SB 372 -- BICYCLE SAFETY

This bill changes the laws regarding bicycle safety. In its main provisions, the bill:

- (1) Revises the definition of "bicycle" to include vehicles propelled by human power having two parallel wheels and one forward or rear wheel, all of which are more than 14 inches in diameter;
- (2) Prohibits blocking or obstructing a designated bicycle lane with a parked or standing motor vehicle or other stationary object;
- (3) Establishes standards for motorists crossing bicycle lanes;
- (4) Defines a "designated bicycle lane" as a portion of the roadway or highway which has been designated by the governing body having jurisdiction over the roadway by striping with signing or pavement markings for the preferential or exclusive use of bicycles;
- (5) Requires a motorist when passing a bicyclist to leave a safe distance between the motor vehicle and the bicycle;
- (6) Provides that bicycles operating at less than the posted speed limit or slower than the flow of traffic may be operated on the shoulder adjacent to the roadway; and
- (7) Provides that a bicyclist must signal in the same manner as other vehicles except that continuously signaling by hand and arm is not required if the hand is needed for the control or operation of the bicycle.

SB 378 -- STOLEN LICENSE PLATE TABS

Under this bill, a person replacing stolen license plate tabs may receive two sets of two license plate tabs a year at no cost. Currently, two free tabs are provided. A citation will not be issued for missing license plate tabs if the person indicates to law enforcement personnel that the tabs have been stolen and a check of the person's motor vehicle registration record reveals that the vehicle is properly registered. Court costs will be waived in a case where a citation has been improperly issued.

SB 394 -- FINANCIAL INSTITUTIONS DOING BUSINESS IN NORTHERN IRELAND

This bill removes a provision of law requiring the State Treasurer to annually compile a report on financial institutions doing business in Northern Ireland in which the state invests funds.

SB 396 -- JET FUEL TAX AND AIR CONTROL TOWER FUNDING

This bill extends from December 31, 2008, to December 31, 2013, the transfer of jet fuel sales tax revenue into the State Aviation Trust Fund and increases from \$125,000 to \$167,000 per year the amount that certain individual airports can receive for air traffic control towers.

HCS SB 401 -- POLICE RETIREMENT SYSTEM OF ST. LOUIS

This bill changes the laws regarding the Police Retirement System of St. Louis. Currently, increased disability or survivor benefit payments are allowed for up to three dependent children. The bill removes the three-child limitation.

HCS SS SB 402 -- ALCOHOL-RELATED PROBLEMS OF MINORS

This bill changes the laws regarding underage drinking. In its main provisions, the bill:

- (1) Specifies that every school district will develop a policy

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by June 30, 2006, detailing the consequences for a student who is found to be in possession or drinking alcohol on school property or while participating in extracurricular activities (Section 160.069, RSMo);

(2) Makes it a class B misdemeanor for owners or renters to permit underage drinking on their property; however, this does not apply to parents or guardians. Legal defenses to prosecution under this section are specified (Section 311.310);

(3) Adds visible intoxication and detectable blood-alcohol content to the grounds for finding a minor guilty of the purchase or possession of alcohol (Section 311.325);

(4) Allows a minor who has pleaded to or been found guilty of purchasing or possessing alcohol to have all records of the violation expunged from his or her record after one year or upon reaching the age of 21 provided that he or she has no other alcohol-related conviction or enforcement contact. Only one expungement is allowed (Section 311.326);

(5) Prohibits the Supervisor of the Division of Alcohol and Tobacco Control from using minors to enforce the liquor laws unless permissive standards are established that require the minor:

(a) To be 18 or 19 years of age;

(b) To have a youthful appearance, excluding facial hair or a receding hairline;

(c) To carry correct identification and to produce it upon request; and

(d) To truthfully answer questions about his or her age.

The supervisor may not participate in any investigation or discipline any licensed establishment when any law enforcement agency chooses not to follow the permissive standards. Minors used in investigations are exempt from violations of Chapter 311 (Liquor Control Law) and Chapter 312 (Nonintoxicating Beer) when under the control of a law enforcement agency (Section 311.722);

(6) Specifies that any person who obtains, transfers, or uses any means of identification for the purpose of manufacturing and providing or selling a false identification card to a minor for the purpose of purchasing or obtaining alcohol is guilty of a class A misdemeanor (Section 570.223); and

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(7) Specifies that a person who was older than 15 years of age but younger than 21 years of age when he or she committed a violation of the purchase or possession by a minor's law will have his or her driving privileges suspended or revoked, including temporary permits and intermediate licenses. Suspension for a first offense will be 30 days, a second offense will be 90 days, and a third or subsequent offense will be one year (Section 577.500).

#### SCS SB 407 -- BENEFICIARY DEEDS

This bill specifies that the term "owner" when used to define a person having a right to create a beneficiary deed will include any person, regardless of the terminology used to refer to the owner in the deed. The bill will apply to all beneficiary deeds, including those executed prior to August 28, 2005.

#### CCS HCS SCS SB 420 & 344 -- JUDICIAL PROCEDURES AND PERSONNEL

This bill changes the laws regarding judicial procedures and personnel. In its main provisions, the bill:

(1) Specifies that health professionals who volunteer to be deployed during a state emergency may assist with the emergency;

(2) Adds physicians, psychiatrists, pharmacists, podiatrists, dentists, nurses, and other health care providers who provide services to patients or inmates in county jails under a formal contract to the list of providers covered by the State Legal Expense Fund;

(3) Specifies that the State Legal Expense Fund is liable for claims against state employees based on the conduct of the employee arising out of and performed in connection with his or her official duties on behalf of the state for economic damages to any one plaintiff and up to \$350,000 in non-economic damages. The fund is the exclusive remedy and precludes other civil actions. There is an adjustment for inflation for non-economic damages;

(4) Specifies that moneys in the fund are not available for claims against a board of police commissioners;

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(5) Provides that private contractors who receive money from the Children's Division in the Department of Social Services will have qualified immunity from civil liability for providing services to children and their families. This provision does not apply if a private contractor knowingly violates a stated or written policy of the division, any rule promulgated by the division, or any state law directly related to child abuse and neglect;

(6) Clarifies the provisions allowing the division to exercise discretion in awarding custody or visitation or placing a child back in the home of a parent, or any person residing in the home, who has been found guilty or plead guilty to specified offenses;

(7) Revises the Safe Place for Newborns Act of 2002 to apply to the voluntary relinquishment of a child no more than one year old. Current law applies to children between six years of age and 30 days of age;

(8) Clarifies the provisions prohibiting a child under the care of the state or the jurisdiction of a juvenile court from being reunited with a parent or being placed back in the home with a parent who has been found guilty or plead guilty to specific crimes of sexual offenses or offenses against the family when the child was the victim;

(9) Establishes the Task Force on Alternative Sentencing within the Department of Corrections and specifies its duties;

(10) Requires a verified petition to be submitted in order to form a transportation district;

(11) Allows the court to enter a judgment abating child support for a period of up to five months for any semester in which a child completes at least six but less than 12 credit hours when a child has had continuous attendance at an institution of higher learning and has demonstrated evidence of a plan to continue the attendance. The five-month period of abatement may only be granted once for each child;

(12) Changes the review of the child support guidelines from every three years to every four years;

(13) Specifies that child orders of protection may be issued for at least 180 days and up to one year;

(14) Allows the court to retain jurisdiction over a full order of protection for a child for the duration of the order and to

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schedule compliance review hearings to monitor compliance with the order;

(15) Specifies that the term "owner," when used to define a person having a right to create a beneficiary deed, will include any person regardless of the terminology used to refer to the owner in the deed. This provision will apply to all beneficiary deeds, including those executed prior to August 28, 2005;

(16) Provides for the replacement of a disqualified probate judge;

(17) Provides for six circuit court judges in the 11th and 23rd judicial circuits beginning January 1, 2007;

(18) Specifies that the family court commissioner and the drug court commissioner positions in the 11th and 23rd judicial circuit will become associate circuit judge positions beginning January 1, 2007;

(19) Provides that there will be one additional associate circuit judge in Cass County beginning January 1, 2007;

(20) Requires clerks who process passport applications and collect a fee for the processing to account for the expenditure of the fee in an annual report to the presiding judge and the Office of State Courts Administrator. The fees may only be used for the maintenance of the courthouse or to fund operations of the circuit court;

(21) Adds attorneys licensed to practice law in this state to the definition of "notary public";

(22) Specifies that courts or entities collecting court costs on their behalf are not required to refund the overpayment of court costs if it is less than \$5. The overpaid funds may be retained by the court for the operation of the circuit court;

(23) Allows circuit courts to contract with private entities operating under a contract with a state agency or the Office of State Courts Administrator to collect past due court-ordered penalties or fines;

(24) Specifies that health care providers and employees of religious institutions may be excused from jury duty upon timely application to the court;

(25) Requires courts to specify the date a prospective juror will appear for jury service before granting a postponement;

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(26) Specifies that actions regarding prevailing wage under Chapter 288, RSMo, are subject to a three-year statute of limitations;

(27) Specifies that the service of summons in an unlawful detainer action will be delivered by ordinary, rather than certified mail. If the officer assigned to execute the summons returns to the court with information that the defendant cannot be found and with proof by affidavit that the summons was mailed, the judge will proceed to hear the matter as if personal service had been made;

(28) Allows sheriffs to agree as to which county will house a defendant after a change of venue;

(30) Prohibits the release of personal information of elected officials on the Internet;

(31) Creates a state-funded family court commissioner position in the 29th judicial circuit;

(32) Creates a state-funded drug court commissioner position in the 42nd judicial circuit; and

(33) Specifies that any drug court commissioner appointed in the 23rd judicial circuit will be a state-funded position.

#### HCS SB 422 -- EXPUNGEMENT OF RECORDS

This bill provides that when a court enters an order of expungement for arrest records or alcohol-related driving offenses, the expunged records will be confidential and only available to the parties or by court order for good cause.

#### HCS SCS SB 423 -- DNA PROFILING SYSTEM

This bill exempts traffic violation cases from the \$15 surcharge collected and deposited into the DNA Profiling Analysis Fund on misdemeanor cases. The bill also makes several technical changes to the laws regarding the administration of the DNA profiling system. The bill clarifies that for those offenders required to provide a DNA sample, the sample may be taken upon the inmate's entering or before being released from a reception and diagnostic center of the Department of Corrections, a county detention facility, or any private detention facility under contract with the state or a local governmental entity. When an offender is in the custody of a private facility, the sheriff's department of the county assigned to the offender is responsible for the collection of the DNA sample.

SB 431 -- MUSEUM AND TOURISM-RELATED SALES AND PROPERTY TAX

This bill authorizes the City of Independence, upon voter approval, to impose a sales tax in increments of one-eighth of 1% up to a maximum of 2% on all retail sales of food within the city to be used for museums and tourism-related activities. Museum and tourism-related activities that will qualify for the tax revenue are specified as well as the method of collecting the tax. A procedure is established for the repeal of the tax.

The bill contains an emergency clause.

HCS SCS SB 450 -- CONVEYANCES IN ST. LOUIS CITY AND ST. LOUIS COUNTY

This bill authorizes the Governor to convey state property in the City of St. Louis known as the Midtown Habilitation Center to St. Louis University. The sale price of the property will be agreed upon by the Commissioner of the Office of Administration and the President of St. Louis University based upon an appraisal.

The bill also authorizes the Governor to convey state property located in the City of St. Louis to the Land Reutilization Authority of the City of St. Louis and to convey certain pieces of property in the City of St. Louis and St. Louis County.

The bill contains an emergency clause.

SB 453 -- NUISANCES

This bill extends the expiration date from August 28, 2005, to August 28, 2010, for the provisions of law regarding the removal of nuisances in the City of Hazelwood.

HCS SS SCS SB 462 -- SEWER AND WATER CORPORATIONS AND STATE CONSTRUCTION CONTRACTS

This bill allows the Missouri Public Service Commission to order a public utility to acquire a small water or sewer corporation that is in violation of statutory or regulatory standards, has failed to comply with a commission order regarding the safety and adequacy of service, or cannot reasonably maintain adequate

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services and facilities. The bill requires the acquiring public utility to be financially, managerially, and technically capable of acquiring and operating the small water or sewer corporation.

The City of St. Charles must give its sewer service customers two-years' prior written notice of its intent to discontinue service.

Currently, the director of any state agency may authorize and establish a standing construction contract in the amount of \$25,000. The bill increases that amount to \$100,000.

The bill contains an emergency clause.

#### SB 480 -- PARENTAL INVOLVEMENT IN EDUCATION

This bill requires the State Board of Education to adopt a policy by December 1, 2005, that encourages effective family involvement in education. The policy will apply when the state board interacts with school districts, parents, and members of the general public. The state board will consult with local districts to assist in the development of similar district policies, which must be adopted no later than March 1, 2006. Both the state board and local school boards' policies must promote, among other goals, communication, support and recognition of the role parents play, and inclusion of parents as full partners in educational decision-making. These policies must be reviewed at least once a year.

#### SB 488 -- PRIOR SALVAGE TITLED VEHICLES

This bill provides that if an insurance company pays a claim on a salvage vehicle and the insured is retaining ownership of the vehicle as prior salvage, the vehicle will not be subject to the State Highway Patrol's examination in order to obtain a title.

#### HCS SB 490 -- ANNEXATION AUTHORIZATION

This bill permits the City of Warrensburg to annex areas along a road or highway up to 2.5 miles from the existing city boundaries.

CCS HCS SCS SB 500 -- MISSOURI PART C EARLY INTERVENTION SYSTEM

This bill establishes the Part C Early Intervention System, administered by a lead state agency designated by the Governor, to provide early intervention services to eligible infants and toddlers as determined by state regulations. The system will include a comprehensive, child-find system and public awareness program to ensure that eligible children are identified, located, referred, and evaluated for eligibility. The lead agency will establish a State Interagency Coordinating Council to assist in the implementation of the program.

The delivery of program services will be organized on a regional basis with the lead agency establishing a bidding process for determining regional offices across the state. The bidding process will include criteria for allowing regions to implement models that will serve the unique needs of their community. The bidding process will encourage agreements between organizations and other state and local governmental entities providing similar services to infants and toddlers, including the Department of Mental Health's Division of Mental Retardation and Developmental Disabilities regional centers and local Senate Bill 40 boards.

Each regional office will include in their proposal assurances and documentation of their plan to provide for those functions that are specifically identified under state and federal regulations and implement a system of provider oversight to ensure all services are available and accessible. The program services will emphasize the family's central role by using coaching approaches and focusing on implementing the child's developmental goals.

No general revenue funds appropriated to the lead agency for the system may be used to satisfy financial commitments for services that should be paid from another public or private source. Federal funds received by the system may be used to prevent the delay of early intervention services; however, the system will seek recovery from public or private sources that have ultimate responsibility for the payment.

Beginning October 1, 2005, families with incomes that are above the Missouri Medicaid Program eligibility level will pay a family cost participation fee on a sliding scale of \$5 to \$100 a month. Moneys collected from the fee and insurance reimbursements will be used to fund the program.

Currently, school districts may coordinate with public, private, and private not-for-profit agencies for the delivery of special

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education and related services for children three to four years of age with handicaps. The bill requires school districts to coordinate with these agencies.

School districts providing early childhood special education will give consideration to the value of continuing services with Part C early intervention system providers for the remainder of the school year when developing an individualized education program for a student who has previously received these services and reaches age three during a regular school year.

The Department of Social Services must recognize the system established under the bill and will pay all claims for reimbursement for Medicaid-eligible children to the system. The department will seek insurance reimbursement for those eligible children having other private insurance.

Every health carrier or health benefit plan that offers or issues health benefit plans, other than Medicaid health benefit plans, which are issued on or after January 1, 2006, will provide coverage for medically necessary early intervention services for children in the program. The coverage will be limited to \$3,000 per covered child, per policy, per calendar year, with a maximum of \$9,000 per child. In the event a health benefit plan is not required to provide coverage because of preemption by a federal law, the lead agency will be responsible for the payment and for providing any required benefit.

Health benefit plans cannot charge any greater deductibles, copayments, or coinsurance than other similar health care service providers or apply the benefits paid to the maximum lifetime benefits payable under the contract. Health benefit plans will be billed and paid at the applicable Medicaid rate at the time the covered benefit is delivered.

Payments made by a health carrier for these services will not exceed 0.5% of the direct written premium for health benefit plans on the health carrier's most recently filed annual financial statement. In lieu of reimbursing claims under these provisions, a carrier may directly pay to the system by January 31 of the calendar year an amount equal to 0.5% of the direct written premium or \$500,000, whichever is less. The payment will constitute full and complete satisfaction of the health benefit plan's obligation for the calendar year.

The Department of Insurance will collect data related to the number of children receiving private insurance coverage and the total amount of moneys paid on behalf of these children by

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private health insurance carriers. The department will report to the General Assembly regarding the findings no later than January 30, 2007, and annually thereafter.

The provisions of the bill will expire two years after the effective date unless reauthorized by the General Assembly. If the program is reauthorized, it will expire after 12 years.

#### SCS SB 501 -- OFFICE OF COMPREHENSIVE CHILD MENTAL HEALTH

This bill establishes the Office of Comprehensive Child Mental Health within the Department of Mental Health to implement a comprehensive child mental health service system plan. The office will provide oversight, support, training, and coordination with other state departments participating in the development and implementation of the plan.

The Comprehensive Child Mental Health Clinical Advisory Council is also established consisting of at least 10 members from the following areas: pediatric medicine, child psychiatry, child psychology, social work, clinical counseling, school psychology, research, financing, and evaluation. Members of the council will share information, identify funding and research opportunities, and advise the department on how to provide a comprehensive child mental health system.

#### SB 507 -- COUNTY PROPERTY INVENTORIES

This bill increases from \$250 to \$1,000 the value of property for which the county auditor in first and second classification counties is required to inventory.

#### SB 516 -- REIMBURSEMENT FOR EMERGENCY SERVICES

Currently, any tax increment financing district providing emergency services is entitled to reimbursement from the Special Allocation Fund in an amount equal to at least 50% but not more than 100% of the district's tax increment. This bill removes that provision.

SB 518 -- ASSISTIVE TECHNOLOGY TRUST FUND

This bill creates the Assistive Technology Trust Fund, which will consist of federal grants, gifts, donations, bequests from individuals, private organizations, foundations, or other sources granted or given for assistive technology devices and services for individuals with disabilities. Moneys in the fund are to be used to establish and maintain assistive technology programs and services provided by Missouri Assistive Technology. The Missouri Assistive Technology Advisory Council is required to employ the necessary staff, enter into grants and contracts with public and private entities, and administer the fund.

SB 521 -- COMMUNITY SERVICE COMMISSION

This bill expands the membership of the Community Service Commission to include the Lieutenant Governor.

SS SB 539 -- HEALTH CARE AND SOCIAL SERVICES PROGRAMS

This bill changes the laws regarding health care and social services programs, including the Missouri Medicaid Program, the Missouri Rx Plan, and personal care assistance programs.

MISSOURI MEDICAID PROGRAM

The bill reduces income levels for eligibility for medical assistance and eliminates some optional services, including medical assistance for the working disabled and general relief medical assistance, and lowers from 226% to 151% of the federal poverty level the income of parents of uninsured children in the MC+ for Kids Program who are required to pay a premium. The Family Support Division within the Department of Social Services is required to conduct annual income eligibility and verification reviews of all recipients of medical assistance and send a re-verification form letter annually requiring the recipient to respond and provide income verification documents within 10 days. The bill changes the division of assets procedure for the purposes of determining eligibility for the Missouri Medicaid Program when one spouse enters a nursing home and the other spouse remains in the community. Currently, resources that are allocated to the institutionalized spouse may be diverted to the community spouse to provide an income stream for the community spouse. The bill requires an institutionalized spouse to divert

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income to the community spouse to raise the community spouse's income to the level of the minimum monthly needs allowance. The diversion of income must occur before the community spouse is allowed to retain assets in excess of the community spouse's protected amount described in federal law.

For purposes of determining Medicaid eligibility, investment in annuities is limited to those that are actuarially sound, provide equal payments for the duration of the device, and provide the state secondary or contingent beneficiary status. The department must establish a 60-month look-back period to review any investment in an annuity by an applicant for Medicaid benefits. The department is allowed to enforce federal Tax Equity and Fiscal Responsibility Act (TEFRA) liens on the property of permanently institutionalized individuals, which include those persons the department determines cannot reasonably be expected to be discharged and returned to their home.

Subject to federal law, the department is required to promulgate rules that require recipients of medical assistance to participate in cost-sharing activities for all covered services, except for personal care, mental health, and health care for uninsured children programs. The cost-sharing provision will also not apply to other qualified children, pregnant women, or blind persons. A health care provider may not refuse to provide a service if a recipient is unable to pay a required fee. However, upon approval from the department, a provider may terminate future services to an individual with an unclaimed debt, as long as it is the provider's routine business practice and the provider gives advance notice and a reasonable opportunity for payment to the individual. The department is allowed to apply for federal Medicaid waivers as necessary if the cost to the state as a result of the waiver does not exceed an additional \$1 million. The request for a waiver will not become effective except by an executive order of the Governor.

#### MISSOURI RX PLAN

The bill allows the Missouri Rx Plan to select one or more prescription drug plans as the preferred plan for purposes of the coordination of benefits between the Missouri Rx Plan and the Medicare part D drug benefit. The Department of Health and Senior Services must give initial enrollment priority to individuals who are eligible for both Medicare and Medicaid. The next enrollment priority will be Medicare eligible participants with an annual household income at or below 150% of the federal poverty level.

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The plan is the payor of last resort and is meant to cover the costs of participants that are not covered by Medicare part D. Persons ineligible for coverage under the Missouri Rx Plan include individuals qualified for coverage for prescription drugs under a public assistance program other than the Medicare Modernization Act, persons who are not considered dually-eligible, and persons qualified for full coverage under another plan of assistance or insurance.

Persons eligible for services under the current Missouri Senior Rx Program on December 13, 2005, will continue to be eligible for those services until January 1, 2006. The provisions of the current Missouri Senior Rx Program will expire following notice to the Revisor of Statutes by the Missouri Rx Plan Advisory Commission that the Medicare Modernization Act of 2003 has been fully implemented.

#### PERSONAL CARE ASSISTANCE PROGRAM

The bill transfers the Personal Care Assistance Program for Disabled Persons from the Department of Elementary and Secondary Education to the Department of Health and Senior Services which will provide financial assistance to physically disabled persons for personal care assistance services through eligible vendors. The requirements for eligibility and annual eligibility review are specified; and upon determination of eligibility, the department must develop a personal care assistance services plan for each disabled person.

Disabled persons receiving personal care assistance are responsible for the supervision of the attendant, while the vendor is responsible for the Medicaid reimbursement process, including filing claims and mailing individual payments directly to the assistant.

The services are not authorized if the primary beneficiary of the services is the household unit and the household may reasonably be expected to share or do for one another when they live in the same household. A personal care assistant who is listed on any of the Family Care Safety Registry's background checklists cannot be employed unless a good cause waiver is first obtained from the department.

Applicants for personal care assistance services and consumers receiving those services are entitled to a hearing with the Department of Social Services if eligibility for personal care assistance services is denied, if the type or amount of services is set at a level less than the consumer believes is necessary,

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if disputes arise after preparation of the personal care assistance services plan concerning the provision of services, or if services are discontinued.

The duties of certain persons to report instances where it is reasonably believed that a disabled person has been neglected, abused, or their property or funds have been misappropriated are specified. The duties of the department's case manager to investigate instances of abuse are also specified. A mandated reporter who fails to report abuse will be guilty of a class A misdemeanor. An employee disqualification list will be maintained by the Department of Health and Senior Services for attendants who commit fraudulent acts.

#### MISCELLANEOUS PROVISIONS

The bill removes provisions specifying certain cost reports for future nursing facility reimbursement rebasing that were to be effective starting July 1, 2005, and then successively on July 1, 2006, and July 1, 2007.

The Medicaid Reform Commission is established, consisting of 10 members, five from the House of Representatives and five from the Senate, to study and review the current Missouri Medicaid Program and make recommendations for reforms. The directors of the departments of Social Services, Health and Senior Services, and Mental Health will serve as ex-officio members. The commission must make recommendations to the General Assembly by January 1, 2006, on reforming, redesigning, and restructuring a new innovative healthcare delivery Medicaid system to replace the current system which will sunset on June 30, 2008.

The bill stipulates that the adoption subsidy may not be granted to children who reside in a household with an income that does not exceed 200% of the federal poverty level or who are eligible for Title IV-E adoption assistance.

#### SS SJR 1 -- PARKS AND SOILS TAX

This proposed constitutional amendment extends, upon voter approval, the parks and soils sales and use tax to 2016. The tax will be resubmitted every 10 years thereafter.