

March 12, 2018

In order to be responsive to the latest legislative developments, MOCPA continually monitors proposed legislation. The society utilizes both professional and grassroots lobbyists to ensure the CPA profession has a voice in Jefferson City. By keeping members informed, MOCPA is empowering you to contribute to the legislative process.

Update provided by Chuck Pierce, CPA, MOCPA government relations consultant

Session Update

With only one week to go before the Legislature's spring break, both chambers focused on moving legislation along to the other chamber. The House began its investigation of the governor. Tax reform appeared to be gaining momentum in both chambers. In addition, two MOCPA members were nominated to the State Board of Accountancy.

Spring break marks the halfway point of the session. Although priority legislation can move at a fast pace if leadership wants it to, for normal legislation one benchmark of successful progress is to be out of the house of origin by spring break. The Legislature spent last week trying to get as many bills to that stage as possible, and that push will likely continue this week. That means late night sessions and quick votes to churn out the legislation.

The House Special Investigative Committee on Oversight, which is charged with investigating the governor, began holding hearings last week. In the first meeting, the committee chairman made it clear that the hearings were going to be closed to the public, and that none of the committee members were going to grant interviews. This was done to protect the confidentiality of the witnesses, but it did not sit well with the media. The committee takes this charge so seriously that it held its hearings outside of the Capitol at the Jefferson City police station. With this level of privacy don't expect much to come out of the committee until the final report is issued.

Tax reform seems to be gaining momentum in both chambers. The House Ways and Means Committee held a hearing on its version of tax reform on Monday. [HB 2540](#) is being sponsored by Rep. Elijah Haahr, who is also slated to be the next Speaker of the House. Having someone of that status handle the legislation is an indication that the House leadership is committed to trying to pass tax reform this session. It is expected that the bill will be voted out of committee this week and will likely be taken up after spring break. The Senate proposal [SB 617](#) is out of committee and on the Senate informal calendar, which means it can be taken up for debate at any time. The Senate may begin debating their bill this week before they leave for spring break.

There are many similarities between the House and Senate proposals, but there are also stark

differences. The biggest difference is the method used to fund increased spending for transportation. The Senate favors a fuel tax increase, while the House increases registration and licensing fees. Both cut individual and corporate tax rates, streamline sales tax, and eliminate the optional three factor method of multistate tax allocation, but there are many other technical differences between the bills. While there is still a long way to go, the fact that there is agreement on core major changes combined with House leadership support increases the likelihood that something will pass. MOCPA will be watching these bills closely.

The governor has appointed two MOCPA members, Ron Darrah and Fred Kostecki, to the State Board of Accountancy. Darrah is the president of Darrah & Company, P.C. in Mountain Grove, and Kostecki is the managing partner of the St. Louis office of RubinBrown LLP. Both will require Senate confirmation before becoming official board members. If confirmed they will replace Ryan Cook and John Sheehan, whose terms are expired. Both Cook and Sheehan are also MOCPA members. Many thanks to each of these volunteers for their service.

Legislation of Interest

To view the complete list of high-priority bills MOCPA is currently tracking, along with their most recent activity and current status, [click here](#). The following bills had significant activity this week:

[HB 1250](#), establishing the Missouri Fiduciary Access to Digital Assets Act, which allows fiduciaries to access electronic records of the account holder, passed the House 141 to 3.

[HB 1358](#), establishing the Password Privacy Protection Act, passed the House 140 to 2.

[HB 1465](#), modifying various provisions relating to degree offerings at public institutions of higher education, was voted do pass by the Senate Education Committee.

[HB 1525](#), changing the laws regarding unclaimed property, passed the House 135 to 6.

[SB 600](#), enacting new provisions relating to professional employer organizations, passed the Senate 28 to 3.

[SB 631](#), creating a tax credit for contributions to certain benevolent organizations, passed the Senate 30 to 0.

[SB 632](#), modifying provisions relating to tax credits for contributions to certain benevolent organizations, passed the Senate 28 to 3.

[SB 768](#), allowing telephone companies to select an alternate method of property tax assessment, passed the Senate 23 to 8.

[SB 882](#), modifying provisions of the Missouri Higher Education Savings Program, passed the Senate 30 to 0.

For Additional Information

This *Government Advocacy Update* will continue weekly through the legislative session. If you have any questions on MOCPA's government advocacy efforts, please visit the [Web page](#), or contact [Dena Hull](#) at (800) 264-7966, ext. 105.

Related Links

- Attend the Legislation and Government Advocacy [Committee Meeting](#) on May 18
- Become a [Legislative Keyperson](#)
- Contribute to [MO CPA-PAC](#)

Click [here](#) to unsubscribe