

JOHN BARDGETT & ASSOCIATES

Governmental & Public Relations Consultants

MEMORANDUM

TO: MAPA

FROM: John E. Bardgett, Jr.

DATE: November 27, 2013

RE: Upcoming Missouri Legislative Session

The Second Regular Session of the 97th General Assembly will convene at noon on January 8, 2014 and adjourn at 6:00 p.m. on May 16, 2014.

The House of Representatives has a Republican supermajority with 109 members, giving them enough seats to override Governor Nixon's veto (109 is needed). However, even with enough Republican seats, overriding a veto remains difficult. There is currently one vacancy in the 163 member House. Republicans in the Senate have 24 seats and still retain a veto proof majority (23 is needed).

Elections

2014 will be a mid-term election year throughout the nation. In Missouri, the only statewide elected official that will be running is the Missouri State Auditor. Incumbent State Auditor Tom Schweich (R) has stated his intent to run for re-election, and several Democrats have expressed interest in running against him.

All 163 members of the Missouri House of Representatives are up for election and 17 of the 34 members of the Senate are also up for election in 2014. Four of the 34 Senate members are term limited and, therefore, we will definitely have four new members of the Missouri Senate.

FY2015 Missouri State Budget

The Fiscal Year 2015 budget is expected to have a brighter year as the state's revenue figures continue to climb. The various state departments have submitted their budget requests to the Office of Budget & Planning for consideration. After several years of not being allowed to request "new decision items" because the state's revenue was down, many of the various state departments have a laundry list of requests they are referring to as "mandatory" spending items they feel can no longer be ignored. You may review the content per state department by clicking on the following link: <http://content.oa.mo.gov/budget-planning/budget-information/2015-budget-information/department-budget-requests>

Governor Nixon will publish his budget recommendations during his Annual State of the State Address in January. Once he announces his plans, the House Budget Committee and Senate

Appropriations Committee will review the details and begin considering his requests as they draft their own versions of the Fiscal Year 2015 Budget.

The state's estimated \$25 billion budget must be passed, per the Missouri Constitution, by May 9th and will go into effect on July 1, 2014.

2014 Legislative Session

Most Capitol observers were pleased to see the improved communication and working relationship between the two Republican-controlled bodies of the Legislature during the 2013 session. One of the greatest disappointments of the 2013 session was the inability of the House and Senate leadership to come together on a major economic development/tax incentive/tax credit reform bill and bring it to fruition. There appears to be 5 – 6 conservative Republican members of the Senate that want drastic tax credit reform passed either before, or in connection with, the extension or expansion of any tax credit programs. We have not had a major tax incentive/job creating economic development bill passed in the state of Missouri in the last six years as a result of a few conservative Republican senators in the Senate. Many are hopeful that the 2014 session will provide enough time for debate to get something done.

Medicaid Expansion

In Missouri, we gave this subject the title “Medicaid Transformation,” and it is every bit as controversial a topic as it was several years ago when the last time the Missouri legislature did anything on this subject matter. This summer and fall, there has been one Senate committee and two House committees taking testimony around the state and deliberating as to what is in the best interest of the State of Missouri relative to Medicaid. At this time, there is clearly no consensus. The opposing sides on this topic are bitterly opposed to the other's position, and I do not see this discussion turning into any productive legislation that has a chance of moving towards possible passage in the 2014 session.

Other

Some of the legislative priorities to be considered during the 2014 are as follows:

- Medicaid Expansion/Transformation
- Transportation
- K – 12 Transfer issues
- Right to Work
- Employment law reform
- Workers' compensation reform
- Medical malpractice reform
- Healthcare reform
- Tax policy

We take seriously our commitment of keeping you informed of any and all issues pertinent to you during the legislative session. Please let us know if you have any questions regarding any of the issues mentioned above.

Important Dates

The pre-filing of legislation for the Second Regular Session of the 97th General Assembly will begin on December 1, 2013. As bills are pre-filed, we will be sending you summaries of bills of interest to you for your review. You should receive two batches of summaries before the end of the year and, after the legislative session begins, you will receive them on a weekly basis. If you

would like a full text copy of the bill, you may contact Cheri in the Jefferson City office by phone at 573-634-8760 or email at cgibson@bardgett.net. As usual, beginning the first week of the legislative session, you will receive a weekly legislative update highlighting the past week's activities and the following week's scheduled events which are pertinent to your issues.

The following upcoming dates are of importance during the next year:

December 1, 2013	Pre-filing of legislation for 2014 legislative session begins
January 8, 2014	Legislature convenes at noon
January 20	Martin Luther King, Jr. Holiday – No Session – Reconvene on January 21
February 27	Last day to introduce bills in the Senate
March 13	Last day to report Senate Consent Bills from committees/ Spring Break begins upon adjournment
March 24	Spring Break ends – Legislature reconvenes
April 15	Last day to report House Consent Bills from committees
April 21	Easter Monday – No Session – Legislature reconvenes April 22
May 9	Appropriations Bills must be Truly Agreed to and Finally Passed
May 16	Last day of Session – ends at 6:00 p.m.

Both of our offices, St. Louis and Jefferson City, will be closed for the Christmas holidays during the following times:

- Closed Tuesday, December 24th, Wednesday, December 25th, Thursday, December 26th, and Friday, December 27th

We consider it a great privilege to represent your interests in Jefferson City and hope this communication is helpful. As always, please do not hesitate to contact us if we can be of any service to you related to state government. Listed below is all of our contact information:

St. Louis Office

16141 Swingley Ridge Road, #110
Chesterfield, MO 63017
Phone – 636-530-9392
Fax – 636-530-9377
johnbarj@aol.com (Jan Gregory)

Jefferson City Office

205 East Capitol, #100
Jefferson City, MO 65101
Phone – 573-634-8760
Fax – 573-636-6899
cgibson@bardgett.net (Cheri Gibson)

John's personal email is john@bardgett.net

You may also find contact information for all associates and much more on our company website: www.bardgett.net

As a logistical item, the Jefferson City office is the best place to reach John and his associates from January 8th – May 16th.

Happy Holidays from everyone at John Bardgett & Associates, Inc.!!

John Bardgett

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Jefferson City office: 573-634-8760

St. Louis office: 636-530-9392

john@bardgett.net

www.bardgett.net