JOHN BARDGETT & ASSOCIATES Governmental & Public Relations Consultants

2013 VETO SESSION REPORT

On Wednesday, September 11th, the Missouri General Assembly convened for their constitutionally required Annual Veto Session. The first order of business for the House of Representatives was to elect a new Speaker Pro Tem of the House. The House voted to elect Rep. Denny Hoskins (R - Warrensburg) as the Speaker Pro Tem. Later Wednesday evening, the House Republican Caucus met privately and Representative Diehl (R – Town & Country) was subsequently elected Speaker of the House designate. Rep. Diehl is a 48-year old attorney who is a partner in the Armstrong Teasdale Law Firm in Clayton. He represents a district in West St. Louis Country and resides in Town and Country. Rep. Diehl will be the Speaker of the House during the 2015 and 2016 legislative sessions and will be term limited on January 1st, 2017.

Governor Jay Nixon vetoed a total of 30 bills over the summer, in addition to line item vetoes in 3 appropriation bills, to set a record high. In response to Governor Nixon's veto frenzy, the Republican super-majority of the House vowed to fight to override each and every bill. The main focus became clear when billionaire Rex Sinquefield poured over \$2 million into a campaign to override the veto on <u>HB 253</u>, which is the tax cut bill passed last spring during the 2013 regular session and was vetoed this summer by the Governor. The campaign quickly grew with the Missouri Chamber of Commerce supporting its efforts. An opposing coalition of many education groups, social service providers, and senior citizens joined together to fight the billionaire's efforts.

In the end, the attempt to override $\underline{HB 253}$ failed by a vote of 94-67. Fifteen Republicans voted against the motion to override, which included the following:

- Rep. Entlicher
- Rep. Fitzwater
- Rep. Fowler
- Rep. Fraker
- Rep. Gannon
- Rep. Hampton
- Rep. Messenger
- Rep. Morris
- Rep. Pfautsch
- Rep. Phillips
- Rep. Redmon
- Rep. Rowland
- Rep. Thomson
- Rep. Walker
- Rep. Wood

The legislature voted to override a record ten bills yesterday, far exceeding the previous record of three. These bills included the following:

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1. <u>HB 19</u> - Appropriates money for capital improvement projects. The House approved a line item for \$1 million for the Pike and Lincoln Counties Vocational Education School Rebuild Project.

2. <u>HB 278</u> - prohibits any state or local governmental entity; public building, park, or school; or public setting or place from banning or restricting the practice, mention, celebration, or discussion of any federal holiday.

3. <u>**HB 329</u>** - Changes the laws regarding certain residential real estate loan violations.</u>

4. **<u>HB 339</u>** - Requires uninsured motorists to forfeit recovery of noneconomic damages under certain circumstances.

5. <u>**HB 650**</u> - Designates the Land Survey Program headquarters as the "Robert E. Myers Building."

6. <u>**HB 1035</u>** - Changes the laws regarding amended property tax rate filings with the Office of the State Auditor and repeals the expiration date of the provision requiring certain counties and the City of St. Louis to deduct a percentage of property taxes collections for assessment costs.</u>

7. <u>SB 9</u> - Modifies provisions relating to agriculture, including establishing the University of Missouri Extension Districts.

8. <u>SB 110</u> - Establishes procedures to follow in child custody and visitation cases for military personnel.

9. <u>SB 129</u> - Establishes the Volunteer Health Services Act to allow for licensed health care professionals to provide volunteer services for a sponsoring organization.

10. <u>SB 170</u> - Allows members of public governmental bodies to cast roll call votes in a meeting if the member is participating via videoconferencing.

The following pieces of legislation were brought up in their chamber of origin but did not capture the 2/3 majority necessary for overriding the Governor's veto:

1. <u>HB 436</u> - Establishes the Second Amendment Preservation Act which rejects all federal acts that infringe on Missouri citizens' rights under the Second Amendment of the United States Constitution.

2. <u>**HB 301**</u> - Adds the prosecutor of the jurisdiction into which a sexually violent predator is to be released to the list of those who must be served the offender's petition for conditional release over specified objections.

3. <u>**HB 611**</u> - Changes the laws regarding unemployment compensation and redefines "misconduct" and "good cause" for the purposes of disqualification from unemployment benefits.

4. **<u>SB 28</u>** - Redefines "misconduct" and "good cause" for the purposes of disqualification from unemployment benefits.

5. <u>SB 29</u> - Requires authorization for certain labor unions to use dues and fees to make political contributions and requires consent for withholding earnings from paychecks.

6. <u>SB 34</u> - Requires the Division of Workers' Compensation to develop and maintain a workers' compensation claims database.

7. <u>SB 265</u> - Prohibits the state and political subdivisions from implementing policies affecting property rights from entering into certain relationships with organizations.

8. <u>SB 267</u> - Specifies how courts may rule in contractual disputes involving the law of other countries and jurisdictional issues involving other countries.

Medicaid Reform

This week the Senate Interim Committee on Medicaid Transformation and Reform held its third committee meeting during veto session. Testimony from expert witnesses was presented in the areas of health policy and government accountability.

The first witness was Dennis Smith, an attorney whose law firm specializes in health policy. He gave an informational testimony comparing a few states' plans with what Missouri currently offers. He also discussed in detail the necessity of sustainability in providing care to Medicaid patients, whether through the current system or through reformation. He explained that even if Missouri chooses not to expand Medicaid eligibility, the number of uninsured will be cut in half based on implementation of the federal exchange, thus saving the State money as local and State agencies will be responsible for the care of fewer people. He also discussed the benefits of quality healthcare coverage, arguing that employers originally began providing health care benefits to their employees because there is a direct connection between health and productivity.

The next witness was Sidney Watson, a professor at SLU School of Law, Center for Health Law Studies. She urged the committee to consider the positive effects of Medicaid transformation in the form of expansion and suggested that expanding coverage to those up to 133% of the federal poverty level will help those individuals improve their health outcomes.

Following Ms. Watson was Christie Hererra, Vice President of Policy for the Foundation for Government Accountability, who went through all aspects of Florida's reform system as well as Louisiana, Kansas, and North Carolina and explained the new benefits being experienced to those eligible in each state. These states vary greatly in the number of Medicaid eligible citizens - from 380,000 in Kansas to 3 million in Florida. The last

witness was Margarida Jorge of Healthcare for America Now who outlines many of the same points provided during earlier testimony regarding the benefits of new health care options for Medicaid eligible enrollees.

Chairman Sen. Romine (R - Farmington) announced that the committee would meet sometime in October to hear expert testimony on the demand side of Medicaid.

The House Interim Committee on Medicaid Transformation also met during Veto Session and discussed their plan to develop legislation to move forward during the 2014 session. Chairman Rep. Barnes (R – Jefferson City) asked his committee members to get their ideas drafted in the form of a bill so that it can be discussed meaningfully. The committee will meet weekly beginning on September 26^{th} at 1:00 p.m. Chairman Rep. Barnes will have his ideas drafted by that time for the committee to begin discussion on Medicaid reform.

Election Update

Missouri House of Representatives

¡ All 163 seats of the House of Representatives are up for election in 2014.

Missouri Senate

i One-half, or 17, of the 34 seats are up for election in 2014.

Key Upcoming Dates

- December 1, 2013 Pre-filing of legislation for 2014 legislative session
- January 8, 2014 2014 Session begins
- March 1, 2014 Deadline for filing of Senate bills
- May 9, 2014 All budget and appropriation bills must be finalized
- May 16, 2013 Session ends

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