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MISSOURI LEGISLATIVE UPDATE – APRIL 17, 2009

TO: American Institute of Architects of Missouri

OMNIBUS LICENSING BILL MOVES: True to his word, Rep. Jay Wasson (R-Nixa) adopted a House committee substitute to SB 296, the Chapter 327 language regarding disciplinary hearings for licensees convicted of certain felonies. HCS SB 296 includes provisions from multiple non-controversial licensing bills, as well as the original SB 296 language. He did not include any other provisions relative to Chapter 327.

DESIGN BUILD FOR SCHOOLS: HB 569 was voted “do pass” last week in the House Elementary and Secondary Education Committee, but has not been reported out.

COMPLETE STREETS legislation has been included in an omnibus transportation bill, HCS HB 1049.

MISSOURI COUNTY PLANNING ACT CLEARS THE SENATE: At long last, SB 5, sponsored by Sen. John Griesheimer (R-Washington), has passed the Senate and now moves to the House. In past years, this legislation has been filibustered by a couple of senators that belong to the Missouri Farm Bureau. The vote was 18 to 16 on SB 5.

CAMPUS BUILDINGS GET FUNDING: Legislation that could lead to the construction of \$700 million worth of projects was given final approval in the House on April 16. HJR 32 proposes a massive bond issue would finance construction and renovation projects at four- and two-year higher education institutions around the state.

Projects that would be funded with the bond sale proceeds include new buildings, renovations and additions, as well as the purchase of engineering equipment. The bond issue also would pick up funding of nearly \$108 million in suspended projects that were to be financed from the sale of student loan assets. Sponsor, Rep. Chris Kelly said by selling bonds now, the state would take advantage of low interest rates as well as a federal offer to pick up 35 percent of the state’s interest costs. The state now pays about \$45 million a year to retire bonds sold in the 1980s.

As those bonds would be paid off in 2011, Kelly said, the new bond issue would be funded with the same stream of revenue. Since the bonds obligate the state, voters would have to approve the plan in a statewide election.

FEDERAL FUNDS PROVIDE OPPORTUNITY FOR MULTIPLE FACILITIES

CAPITAL IMPROVEMENT PROJECTS: HBs 18 and 19 were filed this week recommending millions of dollars for capital improvement projects throughout the state.

SENATE TACKLES THE BUDGET: In a surprisingly quick and peaceful manner, the normally quarrelsome and garrulous Senate took only about ten hours this week to approve a 13-bill, \$23 billion state budget package for the fiscal year that begins July 1.

HOUSE SPEAKER TO HOLD UP STATE BUDGET: House Speaker Ron Richard said today he's throwing a temporary wrench in the state budget process until the Senate passes job creation legislation he's been calling for since January. Economic development legislation has been stalled in the Senate since early February because a group of Republican senators want to rein refundable tax credits that eat away at the state budget each year.

Speaker Richard told a reporter in his office that he will block conference committee negotiations between House and Senate budget writers until the upper chamber passes the House's economic development bill, which Gov. Jay Nixon has been pushing for since taking office. Richard indicated his standoff with the Senate could last as short as a day or until the end of the session. As Speaker of the House, Richard can control the flow of the legislation by advancing and killing bills at certain points in the process.

The General Assembly's only constitutional duty is to pass a balanced budget by May 8. The 2009 session ends May 15

STIMULUS/STABILIZATION BUDGET BILLS FILED: The House Budget Committee reviewed and discussed HBs 19, 20 and 21, newly filed budget bills this week. The funding for these three bills comes from the federal stimulus and stabilization moneys made available early this year by Congress and President Obama. Missouri should receive approximately \$1.2 billion in stimulus revenue and another \$320 million in stabilization funds. The stabilization funds have less "strings" attached and are specific to addressing the state's budget deficit over the next two years. Of the stabilization funds, \$153 million are specific for education and \$167 million is discretionary.