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The GR Capitol Report

Governmental Relations 573/522-9284

LEGISLATIVE WRAP UP: This edition of *The GR Report* provides a summary of the more important pieces of transportation-related legislation that either passed or failed during the 2009 legislative session.

While May 15 was the last day for the legislature to pass legislation, Gov. Nixon has until July 15 to sign or veto bills into law.

LEGISLATURE LOOKED FAVORABLY UPON MHTC/MoDOT LEGISLATIVE

AGENDA: In Sept. 2008, the Missouri Highways and Transportation Commission approved a very aggressive legislative agenda for MoDOT to pursue during the 2009 legislative session.

While the passage of a primary safety belt law was the Commission and MoDOT's number one legislative priority the measure failed to gain enough support to advance for passage into law. However, the failure to pass a primary safety belt law wasn't from a lack of trying by MoDOT and about 3,000 Missouri grassroots supporters of the initiative. A more detailed report on what happened on safety belts is included with this GR Report entitled "HOUSE AVOIDS DEBATE ON THE PRIMARY SAFETY BELT LAW".

Other legislative proposals of special interest to the Commission and MoDOT included:

Providing Better Incident Management – reduces the required lapse time before a tow company can be called to remove abandoned property from the right of way. This proposal was passed in an omnibus transportation bill CCR SS SCS HB 683.

Under current law, property is deemed abandoned when it has been on the right-of-way of any highway or freeway in an urbanized area for 10 hours, but property on the right-of-way on any highway or freeway outside of an urbanized area is not abandoned until it has been on the right-of-way for 48 hours. This act amends the current law so that a law enforcement officer may authorize a towing company to remove property if left unattended for 24 hours on the right-of-way on any highway or freeway outside of an urbanized area.

Missouri River as a Reliable Mode for Movement of Freight - a concurrent resolution urging the State of Missouri to support maintaining a navigable depth on the Missouri River to provide for a reliable alternative mode of transportation for the movement of freight. This proposal was passed in Senate Concurrent Resolution 5.

Design Build - this proposal would allow the Missouri Highways and Transportation Commission to enter into more than three design-build highway project contracts, but the total number of contracts cannot exceed 2 percent of the total number of all state highway system projects listed in the commission's approved statewide transportation improvement project for that fiscal year. This proposal was passed in SS SCS HCS HB 359.

Land Conveyance – the transfer of a piece of property located in St. Louis City, which is currently being used by the Department of Corrections as a minimum security correctional facility, to the Missouri Highways and Transportation Commission for the new Mississippi River Bridge project. This proposal was passed in HCS HB 909, HCS SCS SB 179, HCS SCS SB 15 and HB 537.

HOUSE AVOIDS DEBATE ON THE PRIMARY SAFETY BELT LAW: Unfortunately the 2009 legislative session ended with the House failing to debate and vote on HB 665 - thereby not putting the legislators in the position to make a decision on this very important safety issue. HB 665, sponsored by Rep. Bill Deeken (R-Jefferson City), proposed to modify Missouri's current seat belt law where Missouri's current seat belt law is considered only as a secondary offense meaning that a person must first be cited for some other traffic violation before being issued a seat belt ticket.

The primary safety belt bill was a Missouri Highways and Transportation Commission and MoDOT 2009 legislative priority.

Despite HB 665

- Having 59 co-sponsors;
- Supported by over 3,000 grass roots partners across Missouri;
- Saving an estimated 90 lives each year;
- Reducing serious injuries by more than 1,000; and
- Making Missouri eligible for a one-time \$16 to \$20 million grant,
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this bill was considered by the general assembly as being too controversial and it was of the opinion of many that the proposal infringed on personal freedoms.

To avoid facing the proposal head on, the House used many parliamentary techniques available to slow the bill down from being debated by the legislature. The bill was stalled numerous times during the process and during the March 10 hearing some members of the House Transportation Committee were successful in loading the bill up with 13 amendments that were designed to do nothing except destroy the integrity of the primary safety belt proposal. The following are some of the amended provisions adopted by the committee in an attempt to derail the passage of HB 665:

- Increase the fine from \$10 to \$100. Fifty dollars to be used for safety purposes under federal law: \$25 to be distributed to the local school district where the violation occurred and \$25 to the highway safety division for safety belt awareness programs;
- Prohibit MoDOT employees from receiving "compensation" while participating in any political activity or lobbying;

- Prohibit the operation of a motor vehicle while using a wireless telephone, unless it is being used in conjunction with a hands free device, and prohibit text messaging while operating a motor vehicle;
- Require the MHTC to investigate, within 3 months, all accidents that occur at railroad crossings where there is a fatality or injury involved and to prescribe the safety measures to be taken. If such safety measures cannot be taken, the MHTC would be required to close the crossing;
- Eliminate the need for a highway patrol officer to notify the sheriff when a search warrant application is made for DWI offenses and investigation of motor vehicle crashes;
- Adoption of a Missouri Universal Red Light Enforcement Act that would require all automated photo red light enforcement systems be registered with MoDOT and that MoDOT shall collect a registration fee of \$500 per light. The provision would also prohibit the use of any photo radar system to enforce speeding violations;
- Beginning Jan. 1, 2011, allow for window decals for vehicle registration in place of registration tabs; and
- Require that MoDOT adhere to all local ordinances when planning, designing, constructing, improving, maintaining, and/or operating a project located in a local political subdivision.

Although the committee voted in favor of the bill, as amended, by a vote of 10 to 3, further action on the bill was postponed when the bill was brought up in the House Rules Committee on April 21 and was quickly laid over without the chance of ever coming up for a committee vote.

The push for a primary safety belt law was a team effort lead by MoDOT, the Missouri Safety Council and the Missouri Coalition for Roadway Safety. Others who lobbied, drafted letters, and made phone calls to elected officials in support of HB 665 – included, but were not limited to: General Motors Corp, Cameron Mutual Insurance Company, Safety & Health Council of Western Missouri & Kansas, Advocates for Highway & Auto Safety, Freeman Neurospine, Buchanan Co Prosecuting Attorney, City of Raytown – EMS, Life Flight Eagle, Lake Regional Health System, METS Ambulance, MAST Ambulance Education Dept, Randy Davis, Metropolitan Ambulance Services Trust, Associated General Contractors of St Louis, Missouri Motor Carriers Association, Greater Kansas City Chamber of Commerce, Associated Industries of Missouri, Missouri Transportation Development Council, Alliance of Auto Manufacturers, Property Casualty Insurers Association of Missouri, 3M Company, Missouri Chamber of Commerce & Industry, Missouri Insurance Coalition, Farmers Insurance Group, Missouri KidsFirst, Chrysler, American Council of Engineering Companies of Missouri, St Louis Children’s Hospital, Wellness Resource Center – Resource Center – Department of Student Life – University of Missouri, Partners in Prevention, ThinkFirst – School of Trauma Prevention Education Medicine – University of Missouri, State Farm Insurance Companies, Mothers Against Drunk Driving , Missouri State Medical Association, City of Washington Police Department, Missouri Sheriff’s Association, Safety Council of Greater St Louis, Safety Council of the Ozarks, and Missouri Hospital Association.

Governmental Relations wants to thank everyone who helped and supported the advancement of HB 665.

REPEAL OF MISSOURI'S MOTORCYCLE HELMET LAW PASSES: Within a 5 minute debate, on April 30, the House gave final approval to SCS SB 202 - repeal of Missouri's motorcycle helmet law.

While MoDOT worked closely with the Missouri Safety Coalition and other safety partners to amend the bill in an effort to have the bill go back to the Senate (who originally passed the bill several weeks ago) for a possible filibuster, no amendments were allowed by House leadership. As a result, without allowing any amendments to be added in either the House committee or on the House floor, SCS SB 202 will now go directly to the Governor for his consideration to be signed into law.

The vote in the House was 93 to 65.

Specifically, SCS SB 202 provides that operating a motorcycle, in and of itself, shall not be considered evidence of comparative negligence. The act also provides that when investigating an accident or settling an automobile insurance policy claim, no insurer, agent, producer, or claims adjuster of an insurer shall assign a percentage of fault to a party based upon the sole fact that the party was operating a motorcycle in an otherwise legal manner.

More importantly, this act exempts persons 21 years of age or older from wearing protective headgear except when operating or riding motorcycles or motortricycles upon interstate highways. The motorcycle helmet exemption expires on Aug. 28, 2014.

MoDOT opposed the repeal of the state's helmet law because motorcycle helmets can protect the rider from serious head injuries. Experts also indicate that repealing Missouri's motorcycle helmet law could result in an additional 42 fatalities a year that are involved with traffic accidents.

MoDOT will be working closely with the Governor's office to provide him with all the factual information he needs to make a good informed decision with the hope and anticipation he will veto SCS SB 202.

GENERAL ASSEMBLY GIVES FINAL APPROVAL OF STATE OPERATING BUDGET BILLS PLUS TWO FEDERAL STIMULUS SPENDING BILLS: Only one day before the May 8 deadline, the general assembly gave final approval to CCS SCS HCS HB 4. CCS SCS HCS HB 4 contains MoDOT's operating budget for FY 2010. The legislature also passed SCS HCS HB 21 that contains FY 2010 appropriations of federal stimulus dollars to MoDOT.

CCS SCS HCS HB 4 contains the appropriations to be expended by the Missouri Department of Transportation. Some appropriations provided for in CCS SCS HCS HB 4 include:

- \$1.29 billion for highway construction program;
- \$4 million for distribution to urban, small urban, and rural transit; and
- \$9 million for Amtrak

SCS HCS HB 21 is the federal stimulus bill that the Missouri legislature will use to appropriate the federal dollars that are coming directly from Congress to Missouri for improving highway infrastructure.

Some of the appropriations made in SCS HCS HB 21 include:

- \$695.8 million for construction and maintenance programs;
- \$4.9 million for waterways/ports;
- \$22.7 million for transit (public transportation or intercity bus service);
- \$34.5 million for expenditures for surface transportation infrastructure, including highway, bridge, port, transit, and rail projects;
- \$11 million for development of a feasibility study for passenger rail service to the extent the state receives a federal grant for such purposes; and
- \$33 million for expenditures for airport improvement projects.

The other stimulus appropriation bill that recently passed the general assembly was SS SCS HCS HB 22. SS SCS HCS HB 22 was a roller coaster ride for many agencies as it contains appropriations for several departments and offices of state government; for various projects. SS SCS HCS HB 22 was described by some legislators as the “Governor’s bill.” The following transportation items are included in SS SCS HCS HB 22:

- \$10 million to MoDOT from the Federal Budget Stabilization Fund for the purpose of constructing an interchange for better access to the former Missouri State Penitentiary site located in Jefferson City; and
- \$12 million to MoDOT from the Federal Budget Stabilization Fund for distribution to Metro.

SCS HCS HB 93 & 216 - TRACTOR PARADES: This bill will now allow exempts tractors driven by licensed drivers during daylight hours on specified parade routes for fund-raising activities and other special events from certain width, height, length, and registration regulations with the approval of the Superintendent of the State Highway Patrol.

SS SCS HCS HB 359 – DESIGN BUILD HIGHWAY PROJECT CONTRACTS: This bill will now allow the Missouri Highways and Transportation Commission to enter into more than three design build highway project contracts, but the total number of contracts cannot exceed 2 percent of the total number of all state highway system projects listed in the commission's approved statewide transportation improvement program for that fiscal year. The bill specifically allows the commission to enter into design-build highway project contracts for the design, construction, reconstruction, or improvement of Missouri Route 364 in the counties of St. Charles and St. Louis, Rt. 169 and the 96th Street intersection in Kansas City, and Rt. 92 between State Highway 169 and Rt. E in Clay County. Authority for these projects will not expire when the commission's authority to enter into design-build highway project contracts expires on July 1, 2012.

The design builder is required to provide to the commission his or her bid, performance and payment bonds, or letters of credit on forms as the commission determines to be adequate. The performance bond or bonds for the construction period specified must be equal to a reasonable estimate of the total cost of the construction work unless the commission determines in writing that the amount is impractical, in which case the commission must set the amount at the largest

amount reasonably available, but not less than \$250 million. Currently, the bond or bonds must be in an aggregate amount of \$200 million or 25 percent of a reasonable estimate of the cost of construction work, whichever is lower, unless the commission allows other security. Upon award of the design build highway project contract, the sum of the performance bond and any required additional security will be stated and a matter of public record.

The commission must negotiate and reach agreements including clearance, safety, insurance, and indemnification provisions with affected railroads for any project constructed.

CCS SS SCS HCS HB 62 - OMNIBUS CRIME BILL: CCS SS SCS HCS HB 62 was this year's omnibus crime bill. While the bill contains many different criminal provisions, there was one highway safety proposal included in with the bill that passed.

Specifically, persons 21 years of age or younger who operate a moving vehicle while, sending, reading, or writing a text or electronic message will be guilty of an infraction.

SCS HCS HB 752 - TRANSPORTATION APPOINTEES: This approved piece of legislation eliminates the position of Transportation Inspector General within the Joint Committee on Transportation Oversight.

This bill also allows the option of rotation of Missouri Highways and Transportation Commission (MHTC) leadership positions.

Currently, the two members of the MHTC, one from each political party, who have the most seniority in commission service serve as commission leadership with one as chair and the other as vice chair for a period of one year. At the end of the year, the chair and vice chair rotate positions. The bill gives the chair and vice chair the option to rotate positions.

SCS HB 867 - MEMORIAL HIGHWAY: This passed bill designates the portion of Rt. 69 from the southern city limits of Cameron to its intersection with I-35 as the "CW2 Matthew G. Kelley Memorial Highway."

HCS HB 909 – HCS SCS SB 179 – HCS SCS SB 15 – HB 537 - CONVEYANCES OF STATE PROPERTY: These approved bills authorize the governor to convey several pieces of state owned property.

One such piece of property is state property located in St. Louis City, which is currently being used by the Department of Corrections as a minimum-security correctional facility, to the Missouri Highways and Transportation Commission (MHTC) for the new Mississippi River Bridge project.

Another provision in the bill authorizes the governor to convey state property in Cape Girardeau County and state property and a permanent transmission easement for construction and maintenance of utilities in St. Louis to the MHTC.

In a ironic twist during the 2009 session – when it is usually hard enough to pass a legislative proposal at least once in a given year – during this year's session the land conveyance for the St.

Louis Mississippi River bridge passed four different times in four different bills. A fifth attempt was tried but failed.

HCS SCS SB 313 - THE FEDERAL BUDGET STABILIZATION FUND AND THE

FEDERAL STIMULUS FUND: This new law creates two separate funds, the Federal Budget Stabilization Fund and the Federal Stimulus Fund, within the state treasury to receive and retain funds provided under the American Recovery and Reinvestment Act of 2009. Moneys allocable to the Unemployment Compensation and Unemployment Compensation Administration Funds and the water and wastewater loan fund are specifically exempted from inclusion in the Federal Budget Stabilization Fund and the Federal Stimulus Fund.

The State Treasurer is authorized to create additional funds as necessary to avoid conflict with federal law prohibiting commingling of certain funds derived from the American Recovery and Reinvestment Act of 2009, as enacted by the 111th United States Congress.

SCS HB 91 – DESIGNATES VARIOUS HIGHWAYS AND BRIDGES: This new proposed law bill establishes two new highway designation programs and designates several highways and bridges throughout the state.

The bill requires MoDOT to establish and administer a new drunk driving risk reduction awareness program. This act shall be known as "David's Law." The signs shall be placed at or near the scene of the accident. Under the act, signs shall be attached to an existing highway sign, streetlight, or guardrail. The signs shall be placed upon the state highways in accordance with placement guidelines adopted by the department, and any applicable federal limitations or conditions on highway signage, including location and spacing.

The bill also establishes an interstate interchange designation program, to be known as the "Heroes Way Interstate Interchange Designation Program", to honor the fallen Missouri heroes who have been killed in action while performing active military duty with the armed forces in Afghanistan or Iraq on or after Sept. 11, 2001.

The bill also makes the following highway designations:

- A portion of Rt. 100 located in Franklin Count as the "Veterans Memorial Highway".
- Designates the bridge over the Gasconade River on Rt. 17 in Pulaski County as the "WWII Okinawa Veterans Memorial Bridge".
- A portion of I-435 as the "Lamar Hunt Memorial Highway".
- A portion of Rt. 47 within the limits of the city of Washington shall be designated as "Franklin Street".
- The bill designates a bridge in Laclede County as the "Specialist James M. Finley Memorial Bridge".

SCS HB 544 - OVERSIGHT OF PUBLIC FUNDS: This approved bill changes the laws regarding the oversight of public funds and access to the dome of the State Capitol.

The bill establishes the Joint Committee on Recovery Accountability and Transparency to coordinate and conduct oversight of moneys received by the state and any political subdivision from the federal American Recovery and Reinvestment Act of 2009 to prevent fraud, waste, and abuse.

The bill also requires the Commissioner of the Office of Administration to maintain the Missouri Accountability Portal established in Executive Order 07-24 as a free Internet-based tool allowing citizens to demand fiscal discipline and responsibility. The portal will consist of an easy-to-search database of financial transactions related to the purchase of goods and services and the distribution of funds for state programs. The portal must be updated each business day and maintained as the primary source of information about the activities of state government.

Finally, the bill requires the commissioner to provide each member of the General Assembly with a key that accesses the dome of the State Capitol.

The provisions of the bill regarding the joint committee will expire March 1, 2012.

SS SCS HB 683 – OMNIBUS TRANSPORTATION ACT: This approved bill makes numerous changes to existing law relating to transportation. Some of the changes found in SS SCS HB 683 include:

- Anyone purchasing a motor vehicle from a motor vehicle dealer to provide proof of financial responsibility to the dealer before the issuance of a temporary license plate.
- Allowing persons to possess used or expired license plates provided the possession of such license plates is for charitable purposes.
- Extending the sunset from Jan. 1, 2010 to Jan.1, 2011, to allow the Department of Corrections to continue making license plate tabs.
- Allowing registered fleet owners the option of registering all motor vehicles included in the fleet on a biennial basis. The act provides that an application for registration of a fleet vehicle must be accompanied by a certificate of inspection and approval issued no more than 120 days prior to the date of the registration application. The act further provides that fleet owners may obtain fleet vehicle license plates bearing the company's name or logo for an additional \$5 fee.
- Allowing the chair and vice chair of the commission to rotate positions. The current law requires the vice chair to assume the position of chair when the one year term of the chair expires.
- Creating a new law called "David's Law. Under this act, MoDOT shall establish and administer a drunk driving risk reduction awareness program. The signs shall be placed at or near the scene of the accident.
- Establishing an interstate interchange designation program, to be known as the "Heroes Way Interstate Interchange Designation Program", to honor the fallen Missouri heroes who have been killed in action while performing active military duty with the armed forces in Afghanistan or Iraq on or after Sept. 11, 2001.
- Beginning Jan.1, 2012, the Department of Revenue may appoint motor vehicle dealers to act as agents for purpose of titling and registering motor vehicles. Motor vehicle dealers are also authorized under the act to collect and remit sales taxes on motor vehicles. The motor vehicle dealer may only act as an agent for these purposes for an initial sale or lease of a motor vehicle and not subsequent registrations.
- Requiring the Director of the Department of Revenue to award fee office contracts through a competitive bidding process.
- Clarifying the Commercial Drivers License (CDL) exemption for persons driving farm vehicles. In order to qualify for the exemption, the farm vehicle must be controlled by a farmer or family member, be used to transport agricultural products, machinery, or

supplies to or from a farm, not be used in the operations of a common or contract carrier, and be used within 150 miles of the farmer's farm.

- Requiring the state to immediately revoke a hazardous material endorsement upon receipt of an Initial Determination of Threat Assessment and Immediate Revocation from the Transportation Security Administration. The state must revoke or deny a hazardous material endorsement within 15 days of receipt of a final determination.
- Modifying the definition of hazardous materials to correspond with federal law and regulations.
- Providing that any person convicted for driving while out of service shall be disqualified from driving a commercial motor vehicle in a manner prescribed by the federal regulations.
- Disqualifying a person from driving a commercial motor vehicle for a period of not less than one year if convicted for the 1st violation of an alcohol-related enforcement contact.
- Eliminating the position of the Transportation Inspector General contained within the Joint Committee on Transportation Oversight.
- Towing by law enforcement. Under current law, property is deemed abandoned when it has been on the right-of-way of any highway or freeway in an urbanized area for 10 hours, but property on the right-of-way on any highway or freeway outside of an urbanized area is not abandoned until it has been on the right-of-way for 48 hours. This act amends the current law so that a law enforcement officer may authorize a towing company to remove property left unattended for 24 hours on the right-of-way on any highway or freeway outside of an urbanized area. This act authorizes law enforcement officers to tow abandoned vehicles abandoned by persons who elude arrest for offenses the officer would have taken the offender into custody. The act also authorizes law enforcement officers to immediately remove abandoned property from the right of way of any interstate highway, freeway, or state highway if the abandoned property is creating a traffic hazard. Currently, this provision of law only authorizes the department of transportation to immediately remove the hazard from a state highway.
- Operating a motorcycle or bicycle that enters or crosses an intersection controlled by a traffic-control signal against a red light shall have an affirmative defense to that charge.
- Filing rate doctrine repealed for Household Goods Movers in Commercial Zones. Under this act, motor carriers are not required to file its schedules of rates, fares and charges for shipments of household goods that are transported wholly within a commercial zone.
- Revising the “MACKS CREEK Law. Under this act, if a 4th class city with less than 1,000 persons and having an interstate traversing through its city limits receive more than 35 percent of its annual revenue from traffic fines, all revenues in excess of the 35 percent threshold must be sent to the Department of Revenue to be distributed to the state school system.
- Exempting tractors used in tractor parades from certain width, length, height, and license plate display regulations provided the tractors are driven by licensed drivers during daylight hours only and with the approval of the superintendent of the Missouri State Highway Patrol.
- Shipping of radioactive waste in or through Missouri shall be subject to statutory fees established by the act.
- Authorizing the issuance of Brain Tumor Awareness Organization special license plates.
- Exempting motor vehicles for the five-year period following their model year of manufacture from the state motor vehicle safety inspection. This exemption does not

- apply to prior salvage vehicles immediately following a rebuilding process or to motor vehicles that are required to undergo an inspection after being involved in an accident.
- Allowing the governing body of any municipality may by resolution or ordinance allow persons to operate golf carts or motorized wheelchairs upon any street under its jurisdiction.
 - Allowing for Public Private Partnerships. Under this act, all sales and purchases of tangible property, utilities, or services for use in public-private transportation projects are exempt from sales and use taxes. This act expands the types of projects that may be included in public-private partnership projects. This act allows public-private partnerships to be used for any project that includes any pipeline, ferry, river port, airport, railroad, light rail or other mass transit facility, to be financed, developed, or operated under an agreement between the commission and a private partner.
 - The bill also makes several highway/bridge designations:
 - Designates a portion of Rt. 100 in Franklin County as the "Veterans Memorial Highway".
 - Designates a portion of Poplar Bluff Bypass in Butler County as the "Veterans Memorial Highway".
 - Designates a portion of Rt. 266 in Green County as Dr. Martin Luther King Jr. Memorial Mile.
 - A portion of the state highway system, which was designated as Rt. 47 within the limits of the city of Washington, shall be designated and known as "Franklin Street".
 - Designates a bridge in Laclede County as the "Specialist James M. Finley Memorial Bridge".
 - Designates the bridge over the Gasconade River on Rt. 17 in Pulaski County as the "WWII Okinawa Veterans Memorial Bridge".
 - Designates the portion of Rt. 69 from the southern city limits of Cameron to its intersection with I-35, as the "CW2 Matthew G. Kelley Memorial Highway".
 - Designates a portion of I-435 as the "Lamar Hunt Memorial Highway."
 - Designates a portion of Rt.160 in Greene County as the "Rabbi Abraham Joshua Heschel Memorial Highway".

SS SCS HB 683 - ASSAULT OF HIGHWAY WORKERS: In the omnibus transportation bill, a provision was added to current law that makes it a crime to assault a highway worker.

In short, the crime of assault of a law enforcement officer, emergency personnel, or probation and parole officer in the first, second, and third degree is expanded to include highway workers in construction or work zones.

This has been a legislative priority for MoDOT since 2008.

HB 116 - CRIMES AGAINST TRANSIT WORKERS AND JUDICIAL OFFICERS: This stand alone approved bill expands the crime of assault of a law enforcement officer, emergency personnel, or probation and parole officer in the first, second, and third degrees to include a transit operator or an employee of a mass transit system while on duty or in operation of his or her official vehicle.

Juvenile officers, deputy juvenile officers, drug court commissioner-judges, family court commissioner-judges, and administrative law judges are added to the list of individuals who are considered a judicial officer as it relates to the crime of tampering with a judicial officer.

SS#2 SCS HCS HB 191 – TAXATION: This newly approved omnibus taxation bill, made several changes to Missouri’s current tax laws. Some of the changes included:

Tax Increment Financing

- Requires the Director of the Department of Economic Development to submit its annual tax increment financing (TIF) report to the State Auditor;
- Prohibits municipalities which fail to comply with state TIF reporting requirements from implementing any new TIF project for at least five years; and
- Requires the State Auditor to post information provided in the annual reports of municipalities to his or her web site in a searchable database available to the public.

Transportation Development Districts

- Requires the boards of directors of transportation development districts to submit an annual report of financial transactions to the State Auditor as required of political subdivisions under Section 105.145. Failure to submit a timely copy of the annual financial statement will result in a fine of up to \$500 per day;
- Requires petitions to create a district to include details of the budgeted expenditures, including estimated expenditures for real physical improvements, estimated land acquisition expenses, estimated expenses for professional services, and estimated interest charges;
- Requires the circuit court to order a public hearing on the creation and funding of a proposed district, if the petition to create a district was filed by the owners of all real property within the proposed district; and
- Requires the Director of the Department of Revenue to perform all functions incidental to the administration, collection, enforcement, and operation of district sales taxes.

Build America and Recovery Zone Bonds

- Allows the Missouri Development Finance Board to issue Build America bonds and recovery zone bonds to pay for the cost of financing qualifying projects and authorizes any development agency, board, commission, or body corporate and politic that is authorized to issue bonds to designate Build America bonds and recovery zone bonds;
- Authorizes the Department of Economic Development to allocate recovery zone bonds to counties and large cities in accordance with the federal Internal Revenue Code. Counties and large cities can waive any allocation at any time by giving written notice to the department. Waived allocations may be reallocated by the department to any eligible development agency in the state; and
- Specifies that the bonds and any interest they earn are tax exempt.

Other provisions

- Codifies Executive Order 07-24 into statute, which requires the Commissioner of the Office of Administration to maintain the Missouri Accountability Portal. The portal consists of an easy to search database of financial transactions related to the purchase of goods and services and the distribution of state funds for state programs. The portal must

be updated at the start of each business day and maintained as the primary source of information about Missouri's government; and

- Establishes the Big Government Get Off My Back Act which prohibits user fees imposed by the state from increasing for four years from the effective date of the bill unless the fee increase is to implement a federal program administered by the state or is a result of an act of the General Assembly. For four years, beginning on the effective date of the bill, any state agency proposing a rule must certify that it does not have an adverse impact on small businesses with fewer than 25 employees; certify that it is necessary to protect the life, health, or safety of the public; or exempt any small business with fewer than 25 employees from coverage. Rules established as a result of a federal mandate or to implement a federal program administered by the state or an act of the General Assembly are excluded from these provisions.

SS HCS HB 381- FEE OFFICE CONTRACTS: This approved bill requires the Department of Revenue to award fee office contracts by a competitive bidding process and give preference to non-for-profit organizations and entities. The State Auditor may audit fee offices in the same manner as any state agency.

All bills now wait for the Governor's consideration to be signed into law.

LEGISLATIVE MATRIX: Attached is Governmental Relations weekly updated matrix, which shows some of the more important transportation bills that the department is tracking. If you should have any questions about these or any other pending legislative proposals, contact GR at 573.522.9284.

UPCOMING TRANSPORTATION EVENTS:

- May 15 – Last day of the 2009 legislative session.
- July 15 – Last day for the Governor to sign or veto bills into law.
- Aug. 28 – Signed bills go into effect.
- Sept. 16 – Veto Session.