



Governmental Services Group

It was a busy week in Jefferson City as the Missouri Legislature advanced several high-priority measures ranging from tax structure reform to significant social policy shifts. A primary focus in the House was the advancement of a major property tax overhaul sponsored by Representative Taylor. This legislation seeks to "silo" tax rates by creating separate subclasses for residential, commercial, and agricultural properties, ensuring that a spike in value for one category doesn't unfairly shift the tax burden to other categories. The bill would also require tax-related elections to be held during the November general election. Supporters view this as a way to increase voter participation and transparency, while critics express concerns regarding the impact on local government autonomy and the timing for fiscal planning.

In addition to this, education and family welfare also became a focal point as lawmakers revisited long-standing policy debates. For the sixth consecutive year, open enrollment legislation moved forward. Once again, proponents of educational choice argued against critics concerned about the financial stability of smaller districts. The General Assembly also renewed its focus on Missouri's childcare issue. With the state losing an estimated \$1 billion in annual economic benefits due to childcare shortages, legislators are looking at a mix of tax credits and innovation grants to help more working families find a reliable place for their kids.

Finally, the House gave initial approval to a bill that would allow Missourians to finalize a divorce while pregnant. Currently, it is common practice for judges to wait until after a birth to finalize a dissolution. Supporters of the change argue that the current delay can create legal limbo or safety risks for those in unstable situations. The bill's advancement reflects a bipartisan effort to update how the state handles these types of domestic cases.

While these House priorities have gained momentum, their fate rests in a Senate where the political climate is more volatile. With infighting often leading to legislative gridlock, any measures arriving from the House will likely face intense floor debate and the looming threat of filibusters. Whether this agenda survives the Senate's scrutiny will be a defining narrative during the upcoming weeks of session.

ER Staffing Requirements

HB 2557, sponsored by Representative Hruza, creates provisions relating to staffing requirements for emergency departments in hospitals. This bill requires hospitals with emergency departments to ensure that at least one physician is on site, on duty, and responsible for the emergency department at all times such department is open.

This bill had a hearing in the Professional Registration Committee this week.

In support of the bill was Missouri Association of Osteopathic Physicians and Surgeons and Missouri State Medical Association.

In opposition to the bill was Missouri Hospital Association, Mercy Healthcare System, Golden Valley Memorial Hospital, Hannibal Regional Healthcare System, and MOSIAC Life Care.

Childcare Tax Credit

HB 2409, sponsored by Representative Shields, authorizes the "Child Care Contribution Tax Credit Act", the "Employer-Provided Child Care Assistance Tax Credit Act", and the "Child Care Providers Tax Credit", relating to tax credits for childcare.

This bill establishes the "Child Care Contribution Tax Credit Act". Beginning January 1, 2027, a taxpayer may claim a tax credit for verified contributions to a childcare provider in an amount up to 75% of the contribution. The tax credit issued must not be less than \$100 and must not exceed \$200,000 per tax year.

This bill also establishes the "Employer Provided Child Care Assistance Tax Credit Act". Beginning January 1, 2027, a taxpayer with two or more employees may claim a tax credit in an amount equal to 30% of the qualified childcare expenditures paid or incurred with respect to a childcare facility. The maximum amount of any tax credit issued must not exceed \$200,000 per taxpayer per tax year.

This bill also establishes the "Child Care Providers Tax Credit Act". Beginning January 1, 2027, a childcare provider with three or more employees may claim a tax credit in an amount equal to the childcare provider's eligible employer withholding tax and may also claim a tax credit in an amount up to 30% of the childcare provider's capital expenditures.

This bill had a hearing in the House Economic Development Committee this week.

In support of the bill was the Missouri Economic Development Council, NFIB, Next Missouri, Missouri State Alliance of YMCAs, Missouri Catholic Conference, Northeast Missouri Economic Development Council, National Council of Jewish Women STL, Aligned, City of Raymore, Workforce You, Nodaway County Economic Development INC, BJC Healthcare, National Association of Social Workers, Associated Industries of MO, Columbia Chamber of Commerce, Child Care Aware MO, Kids Win MO, Northlands Chamber of Commerce, United

WE, Campaign Life MO, Greater KC Area Chamber, and Springfield Area Chamber of Commerce.

There was no opposition to the bill.

Tobacco Regulations

HB 2085, sponsored by Representative Keathley, modifies provisions relating to tobacco product regulations. This bill specifies that the State of Missouri must preempt the sale of tobacco products, alternative nicotine products, and vapor products. This preemption will include local ordinances that deal with: (1) Ingredients; (2) above; and Setting the age to sell or purchase at 21 years of age and (3) Licensing and products bans.

In addition, existing state regulations on the sale of tobacco products to minors found in Sections 407.924 through 407.934, RSMo, will supersede any local laws, ordinances, orders, rules, or regulations enacted by a county, municipality, or other political subdivision regulating the sale of tobacco products, alternative nicotine products, or vapor products.

The bill does not prohibit counties, municipalities, or other political subdivisions from enforcing ordinances or regulations that set the age to sell or purchase tobacco products, alternative nicotine products, and vapor products to individuals under 21 years of age.

This bill will not apply to any local laws, ordinances, orders, rules, or regulations enacted by a county, municipality, or other political subdivision prior to January 1, 2026.

The bill was voted out of the House Administrative Rules Committee DO PASS.

Tobacco 21

SB 1064, sponsored by Senator Brown, modifies provisions relating to tobacco product regulations. Under this act, the state's laws shall preempt any local laws, ordinances, orders, rules, or regulations enacted by a county, municipality, or other political subdivision of the state regulating the sale of tobacco products, alternative nicotine products, or vapor products. Additionally, nothing in this act shall be construed to prohibit counties, municipalities, and other political subdivisions from enforcing ordinances and regulations that prevent the sale of tobacco products, alternative nicotine products, or vapor products to persons under the age of 21.

Finally, the provisions of this act shall not be construed to preempt any local laws, ordinances, orders, rules, or regulations relating to tobacco products, alternative nicotine products, or vapor products enacted by a county, municipality, or other political subdivision in effect as of January 1, 2026.

This bill was voted out of the Senate General Laws Committee this week DO PASS.

Alternatives to Opioids

SB 902, sponsored by Senator Henderson, enacts provisions relating to insurance coverage of alternatives to opioid drugs. This act provides that an enrollee's health benefit plan shall not deny

coverage of a nonopioid prescription drug in favor of an opioid drug, require the enrollee to try an opioid drug before covering the nonopioid prescription drug, or require a higher level of cost-sharing for a nonopioid prescription drug than for an opioid drug.

This act shall apply to health benefit plans delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2027.

This bill had a hearing in the Senate Insurance and Banking committee this week.

In support of the bill was BJC Healthcare, Reach Foundation, National Association of Social Workers, Prevent Ed, MO Chapter of the American College of OBGYNs, and MO Society of Anesthesiologists.

In opposition to the bill was the Missouri Insurance Coalition and America's Health Insurance Plans.

Physician Assistant Licensure Compact

HB 3129, sponsored by Representative Keathley, creates the "Physician Assistant Licensure Compact".

Physician assistants licensed in states that are participating in the interstate compact can practice in other participating states without additional requirements.

The bill defines the qualifications and obligations of a licensee who seeks to obtain and exercise a compact privilege in a remote state, such as having a qualifying license, meeting any jurisprudence requirement, reporting any adverse action, and complying with the scope of practice of the remote state.

Participating states have the authority to impose adverse actions against qualifying licenses. Remote states can take adverse actions against compact privileges within that state's jurisdiction. States can take necessary legal actions to protect citizens' health and safety. States can issue subpoenas for hearings and investigations, which must be enforced by courts in other participating states.

States must treat reported conduct from other states as if it occurred within their own jurisdiction. States can take adverse actions based on findings from other states, following their own procedures. States can participate in joint investigations and share materials. Adverse actions against a qualifying license result in the deactivation of the compact privilege in all remote states for two years after restrictions are removed. States must notify the compact data system administrator promptly of any adverse actions.

The bill establishes the "Physician Assistant Compact Commission", composed of one commissioner from each participating state, to administer and enforce the compact. This bill specifies how commission meetings can be held and legal actions the commission can take.

This bill was scheduled to be brought up for a vote in the House Professional Registration Committee this week, but the action was postponed.