

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NOS. 654 & 938
94TH GENERAL ASSEMBLY

1769L.03T

2007

AN ACT

To repeal sections 137.100, 137.101, and 313.835, RSMo, and to enact in lieu thereof four new sections relating to veterans, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 137.100, 137.101, and 313.835, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 137.100, 137.101, 313.835 and 578.510, to read as follows:

137.100. The following subjects are exempt from taxation for state, county or local purposes:

(1) Lands and other property belonging to this state;

(2) Lands and other property belonging to any city, county or other political subdivision in this state, including market houses, town halls and other public structures, with their furniture and equipments, and on public squares and lots kept open for health, use or ornament;

(3) Nonprofit cemeteries;

(4) The real estate and tangible personal property which is used exclusively for agricultural or horticultural societies organized in this state, including not-for-profit agribusiness associations;

(5) All property, real and personal, actually and regularly used exclusively for religious worship, for schools and colleges, or for purposes purely charitable and not held for private or corporate profit, except that the exemption herein granted does not include real property not actually used or occupied for the purpose of the organization but held or used as investment even

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 though the income or rentals received therefrom is used wholly for religious, educational or
16 charitable purposes;

17 (6) Household goods, furniture, wearing apparel and articles of personal use and
18 adornment, as defined by the state tax commission, owned and used by a person in his home or
19 dwelling place;

20 (7) Motor vehicles leased for a period of at least one year to this state or to any city,
21 county, or political subdivision or to any religious, educational, or charitable organization which
22 has obtained an exemption from the payment of federal income taxes, provided the motor
23 vehicles are used exclusively for religious, educational, or charitable purposes; [and]

24 (8) Real or personal property leased or otherwise transferred by an interstate compact
25 agency created pursuant to sections 70.370 to 70.430, RSMo, or sections 238.010 to 238.100,
26 RSMo, to another for which or whom such property is not exempt when immediately after the
27 lease or transfer, the interstate compact agency enters into a leaseback or other agreement that
28 directly or indirectly gives such interstate compact agency a right to use, control, and possess the
29 property; provided, however, that in the event of a conveyance of such property, the interstate
30 compact agency must retain an option to purchase the property at a future date or, within the
31 limitations period for reverters, the property must revert back to the interstate compact agency.
32 Property will no longer be exempt under this subdivision in the event of a conveyance as of the
33 date, if any, when:

34 (a) The right of the interstate compact agency to use, control, and possess the property
35 is terminated;

36 (b) The interstate compact agency no longer has an option to purchase or otherwise
37 acquire the property; and

38 (c) There are no provisions for reverter of the property within the limitation period for
39 reverters;

40 **(9) All property, real and personal, belonging to veterans' organizations. As used**
41 **in this section, "veterans' organization" means any organization of veterans with a**
42 **congressional charter, that is incorporated in this state, and that is exempt from taxation**
43 **under section 501(c)(19) of the Internal Revenue Code of 1986, as amended.**

137.101. 1. The activities of nationally affiliated fraternal, benevolent, [veteran,] or
2 service organizations which promote good citizenship, humanitarian activities, or improve the
3 physical, mental, and moral condition of an indefinite number of people [or] **are** purposes purely
4 charitable within the meaning of subsection 1 of section 6 of article X of the constitution and
5 local assessing authorities may exempt such portion of the real and personal property of such
6 organizations as the assessing authority may determine is utilized in purposes purely charitable
7 from the assessment, levy, and collection of taxes.

8 2. If, at any time, an assessor finally determines, after any and all hearings or rightful
9 appeals, that personal property, upon which an organization would otherwise owe taxes but for
10 the provisions of subsection 1 of this section or subdivision (5) of section 137.100, is not used
11 for purposes purely charitable, or for purposes described in subdivision (5) of section 137.100,
12 then the assessor shall notify the department of revenue of such final determination within thirty
13 days.

313.835. 1. All revenue received by the commission from license fees, penalties,
2 administrative fees, reimbursement by any excursion gambling boat operators for services
3 provided by the commission and admission fees authorized pursuant to the provisions of sections
4 313.800 to 313.850, except that portion of the admission fee, not to exceed one cent, that may
5 be appropriated to the compulsive gamblers fund as provided in section 313.820, shall be
6 deposited in the state treasury to the credit of the "Gaming Commission Fund" which is hereby
7 created for the sole purpose of funding the administrative costs of the commission, subject to
8 appropriation. Moneys deposited into this fund shall not be considered proceeds of gambling
9 operations. Moneys deposited into the gaming commission fund shall be considered state funds
10 pursuant to article IV, section 15 of the Missouri Constitution. All interest received on the
11 gaming commission fund shall be credited to the gaming commission fund. In each fiscal year,
12 total revenues to the gaming commission fund for the preceding fiscal year shall be compared
13 to total expenditures and transfers from the gaming commission fund for the preceding fiscal
14 year. The remaining net proceeds in the gaming commission fund shall be distributed in the
15 following manner:

16 (1) The first five hundred thousand dollars shall be appropriated on a per capita basis to
17 cities and counties that match the state portion and have demonstrated a need for funding
18 community neighborhood organization programs for the homeless and to deter gang-related
19 violence and crimes;

20 (2) The remaining net proceeds in the gaming commission fund for fiscal year 1998 and
21 prior years shall be transferred to the "Veterans' Commission Capital Improvement Trust Fund",
22 as hereby created in the state treasury. The state treasurer shall administer the veterans'
23 commission capital improvement trust fund, and the moneys in such fund shall be used solely,
24 upon appropriation, by the Missouri veterans' commission for:

25 (a) The construction, maintenance or renovation or equipment needs of veterans' homes
26 in this state;

27 (b) The construction, maintenance, renovation, equipment needs and operation of
28 veterans' cemeteries in this state;

29 (c) Fund transfers to Missouri veterans' homes fund established pursuant to the
30 provisions of section 42.121, RSMo, as necessary to maintain solvency of the fund;

31 (d) Fund transfers to any municipality with a population greater than four hundred
32 thousand and located in part of a county with a population greater than six hundred thousand in
33 this state which has established a fund for the sole purpose of the restoration, renovation and
34 maintenance of a memorial or museum or both dedicated to World War I. Appropriations from
35 the veterans' commission capital improvement trust fund to such memorial fund shall be
36 provided only as a one-time match for other funds devoted to the project and shall not exceed
37 five million dollars. Additional appropriations not to exceed ten million dollars total may be
38 made from the veterans' commission capital improvement trust fund as a match to other funds
39 for the new construction or renovation of other facilities dedicated as veterans' memorials in the
40 state. All appropriations for renovation, new construction, reconstruction, and maintenance of
41 veterans' memorials shall be made only for applications received by the Missouri veterans'
42 commission prior to July 1, 2004;

43 (e) The issuance of matching fund grants for veterans' service officer programs to any
44 federally chartered veterans' organization or municipal government agency that is certified by
45 the Veterans Administration to process veteran claims within the Veterans Administration
46 System; provided that such veterans' organization has maintained a veterans' service officer
47 presence within the state of Missouri for the three-year period immediately preceding the
48 issuance of any such grant. A total of [seven hundred fifty thousand] **one million** dollars in
49 grants shall be made available annually with grants being issued in July of each year.
50 Application for the matching grants shall be made through and approved by the Missouri
51 veterans' commission based on the requirements established by the commission;

52 (f) For payment of Missouri national guard and Missouri veterans' commission expenses
53 associated with providing medals, medallions and certificates in recognition of service in the
54 armed forces of the United States during World War II and the Korean Conflict pursuant to
55 sections 42.170 to 42.206, RSMo. Any funds remaining from the medals, medallions and
56 certificates shall not be transferred to any other fund and shall only be utilized for the awarding
57 of future medals, medallions, and certificates in recognition of service in the armed forces; and

58 (g) Fund transfers totaling ten million dollars to any municipality with a population
59 greater than three hundred fifty thousand inhabitants and located in part in a county with a
60 population greater than six hundred thousand inhabitants and with a charter form of government,
61 for the sole purpose of the construction, restoration, renovation and maintenance of a memorial
62 or museum or both dedicated to World War I.

63 Any interest which accrues to the fund shall remain in the fund and shall be used in the same
64 manner as moneys which are transferred to the fund pursuant to this section. Notwithstanding
65 the provisions of section 33.080, RSMo, to the contrary, moneys in the veterans' commission

66 capital improvement trust fund at the end of any biennium shall not be transferred to the credit
67 of the general revenue fund;

68 (3) The remaining net proceeds in the gaming commission fund for fiscal year 1999 and
69 each fiscal year thereafter shall be distributed as follows:

70 (a) The first four and one-half million dollar portion shall be transferred to the Missouri
71 college guarantee fund, established pursuant to the provisions of sections 173.810 to 173.830,
72 RSMo, and additional moneys as annually appropriated by the general assembly shall be
73 appropriated to such fund;

74 (b) The second three million dollar portion shall be transferred to the veterans'
75 commission capital improvement trust fund;

76 (c) The third three million dollar portion shall be transferred to the Missouri national
77 guard trust fund created in section 41.214, RSMo;

78 (d) Subject to appropriations, one hundred percent of remaining net proceeds in the
79 gaming commission fund except as provided in paragraph (l) of this subdivision, and after the
80 appropriations made pursuant to the provisions of paragraphs (a), (b), and (c) of this subdivision,
81 shall be transferred to the "Early Childhood Development, Education and Care Fund" which is
82 hereby created to give parents meaningful choices and assistance in choosing the child-care and
83 education arrangements that are appropriate for their family. All interest received on the fund
84 shall be credited to the fund. Notwithstanding the provisions of section 33.080, RSMo, moneys
85 in the fund at the end of any biennium shall not be transferred to the credit of the general revenue
86 fund. Any moneys deposited in such fund shall be used to support programs that prepare
87 children prior to the age in which they are eligible to enroll in kindergarten, pursuant to section
88 160.053, RSMo, to enter school ready to learn. All moneys deposited in the early childhood
89 development, education and care fund shall be annually appropriated for voluntary, early
90 childhood development, education and care programs serving children in every region of the
91 state not yet enrolled in kindergarten;

92 (e) No less than sixty percent of moneys deposited in the early childhood development,
93 education and care fund shall be appropriated as provided in this paragraph to the department of
94 elementary and secondary education and to the department of social services to provide early
95 childhood development, education and care programs through competitive grants to, or contracts
96 with, governmental or private agencies. Eighty percent of such moneys pursuant to the
97 provisions of this paragraph and additional moneys as appropriated by the general assembly shall
98 be appropriated to the department of elementary and secondary education and twenty percent of
99 such moneys pursuant to the provisions of this paragraph shall be appropriated to the department
100 of social services. The departments shall provide public notice and information about the grant
101 process to potential applicants.

102 a. Grants or contracts may be provided for:
103 (i) Start-up funds for necessary materials, supplies, equipment and facilities; and
104 (ii) Ongoing costs associated with the implementation of a sliding parental fee schedule
105 based on income;

106 b. Grant and contract applications shall, at a minimum, include:
107 (i) A funding plan which demonstrates funding from a variety of sources including
108 parental fees;
109 (ii) A child development, education and care plan that is appropriate to meet the needs
110 of children;
111 (iii) The identity of any partner agencies or contractual service providers;
112 (iv) Documentation of community input into program development;
113 (v) Demonstration of financial and programmatic accountability on an annual basis;
114 (vi) Commitment to state licensure within one year of the initial grant, if funding comes
115 from the appropriation to the department of elementary and secondary education and
116 commitment to compliance with the requirements of the department of social services, if funding
117 comes from the department of social services; and
118 (vii) With respect to applications by public schools, the establishment of a parent
119 advisory committee within each public school program;

120 c. In awarding grants and contracts pursuant to this paragraph, the departments may give
121 preference to programs which:
122 (i) Are new or expanding programs which increase capacity;
123 (ii) Target geographic areas of high need, namely where the ratio of program slots to
124 children under the age of six in the area is less than the same ratio statewide;
125 (iii) Are programs designed for special needs children;
126 (iv) Are programs that offer services during nontraditional hours and weekends; or
127 (v) Are programs that serve a high concentration of low-income families;

128 d. Beginning on August 28, 1998, the department of elementary and secondary education
129 and the department of social services shall initiate and conduct a four-year study to evaluate the
130 impact of early childhood development, education and care in this state. The study shall consist
131 of an evaluation of children eligible for moneys pursuant to this paragraph, including an
132 evaluation of the early childhood development, education and care of those children participating
133 in such program and those not participating in the program over a four-year period. At the
134 conclusion of the study, the department of elementary and secondary education and the
135 department of social services shall, within ninety days of conclusion of the study, submit a report
136 to the general assembly and the governor, with an analysis of the study required pursuant to this

137 subparagraph, all data collected, findings, and other information relevant to early childhood
138 development, education and care;

139 (f) No less than ten percent of moneys deposited in the early childhood development,
140 education and care fund shall be appropriated to the department of social services to provide
141 early childhood development, education and care programs through child development,
142 education and care certificates to families whose income does not exceed one hundred
143 eighty-five percent of the federal poverty level in the manner pursuant to 42 U.S.C.
144 9858c(c)(2)(A) and 42 U.S.C. 9858n(2) for the purpose of funding early childhood development,
145 education and care programs as approved by the department of social services. At a minimum,
146 the certificate shall be of a value per child which is commensurate with the per child payment
147 under item (ii) of subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or
148 contracts. On February first of each year the department shall certify the total amount of child
149 development, education and care certificates applied for and the unused balance of the funds
150 shall be released to be used for supplementing the competitive grants and contracts program
151 authorized pursuant to paragraph (e) of this subdivision;

152 (g) No less than ten percent of moneys deposited in the early childhood development,
153 education and care fund shall be appropriated to the department of social services to increase
154 reimbursements to child-care facilities for low-income children that are accredited by a
155 recognized, early childhood accrediting organization;

156 (h) No less than ten percent of the funds deposited in the early childhood development,
157 education and care fund shall be appropriated to the department of social services to provide
158 assistance to eligible parents whose family income does not exceed one hundred eighty-five
159 percent of the federal poverty level who wish to care for their children under three years of age
160 in the home, to enable such parent to take advantage of early childhood development, education
161 and care programs for such parent's child or children. At a minimum, the certificate shall be of
162 a value per child which is commensurate with the per child payment under item (ii) of
163 subparagraph a. of paragraph (e) of this subdivision pertaining to the grants or contracts. The
164 department of social services shall provide assistance to these parents in the effective use of early
165 childhood development, education and care tools and methods;

166 (i) In setting the value of parental certificates under paragraph (f) of this subdivision and
167 payments under paragraph (h) of this subdivision, the department of social services may increase
168 the value based on the following:

169 a. The adult caretaker of the children successfully participates in the parents as teachers
170 program pursuant to the provisions of sections 178.691 to 178.699, RSMo, a training program
171 provided by the department on early childhood development, education and care, the home-based

172 Head Start program as defined in 42 U.S.C. 9832 or a similar program approved by the
173 department;

174 b. The adult caretaker consents to and clears a child abuse or neglect screening pursuant
175 to subdivision (1) of subsection 2 of section 210.152, RSMo; and

176 c. The degree of economic need of the family;

177 (j) The department of elementary and secondary education and the department of social
178 services each shall by rule promulgated pursuant to chapter 536, RSMo, establish guidelines for
179 the implementation of the early childhood development, education and care programs as
180 provided in paragraphs (e) through (i) of this subdivision;

181 (k) Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that
182 is promulgated under the authority delegated in paragraph (j) of this subdivision shall become
183 effective only if the agency has fully complied with all of the requirements of chapter 536,
184 RSMo, including but not limited to, section 536.028, RSMo, if applicable, after August 28, 1998.
185 All rulemaking authority delegated prior to August 28, 1998, is of no force and effect and
186 repealed as of August 28, 1998, however, nothing in this section shall be interpreted to repeal
187 or affect the validity of any rule adopted or promulgated prior to August 28, 1998. If the
188 provisions of section 536.028, RSMo, apply, the provisions of this section are nonseverable and
189 if any of the powers vested with the general assembly pursuant to section 536.028, RSMo, to
190 review, to delay the effective date, or to disapprove and annul a rule or portion of a rule are held
191 unconstitutional or invalid, the purported grant of rulemaking authority and any rule so proposed
192 and contained in the order of rulemaking shall be invalid and void, except that nothing in this
193 act shall affect the validity of any rule adopted and promulgated prior to August 28, 1998;

194 (l) When the remaining net proceeds, as such term is used pursuant to paragraph (d) of
195 this subdivision, in the gaming commission fund annually exceeds twenty-eight million dollars:
196 one-half million dollars of such proceeds shall be transferred annually, subject to appropriation,
197 to the Missouri college guarantee fund, established pursuant to the provisions of section 173.830,
198 RSMo; three million dollars of such proceeds shall be transferred annually, subject to
199 appropriation, to the veterans' commission capital improvement trust fund; and one million
200 dollars of such proceeds shall be transferred annually, subject to appropriation, to the Missouri
201 national guard trust fund created in section 41.214, RSMo.

202 2. Upon request by the veterans' commission, the general assembly may appropriate
203 moneys from the veterans' commission capital improvements trust fund to the Missouri national
204 guard trust fund to support the activities described in section 41.958, RSMo.

**578.510. 1. This section shall be known and may be cited as the "Stolen Valor Act
2 of 2007".**

3 **2. Any person who, with the intent to misrepresent himself or herself as a veteran**
4 **or medal recipient, knowingly wears, purchases, attempts to purchase, solicits for**
5 **purchase, mails, ships, imports, exports, produces blank certificates of receipt for,**
6 **manufactures, sells, attempts to sell, advertises for sale, trades, barter, or exchanges for**
7 **anything of value any decoration or medal authorized under chapter 41, RSMo, or by the**
8 **Congress for the armed forces of the United States, or any of the service medals or badges**
9 **awarded to the members of such forces, or the ribbon, button, or rosette of any such badge,**
10 **decoration, or medal, or any colorable imitation thereof, except when authorized under**
11 **regulations promulgated under law, is guilty of a class A misdemeanor. Any second or**
12 **subsequent violation of this subsection is a class D felony.**

13 **3. Any person who misrepresents himself or herself, verbally or in writing, to have**
14 **been awarded any decoration or medal authorized under chapter 41, RSMo, or by**
15 **Congress for the armed forces of the United States, any of the service medals or badges**
16 **awarded to the members of such forces, the ribbon, button, or rosette of any such badge,**
17 **decoration, or medal, or any colorable imitation of such item is guilty of a class A**
18 **misdemeanor. Any second or subsequent violation of this subsection is a class D felony.**

19 **4. Any person who fraudulently uses the title of "veteran", as defined by the United**
20 **States Department of Veterans' Affairs or its successor agency, in order to obtain personal**
21 **benefit, monetary or otherwise, and such person does not have verifiable proof of his or her**
22 **status as a veteran is guilty of a class A misdemeanor. Any second or subsequent violation**
23 **of this subsection is a class D felony.**

24 **5. If a decoration or medal involved in an offense described in subsections 2 to 4 of**
25 **this section is a distinguished-service cross awarded under Section 3742 of Title 10 of the**
26 **United States Code, a Navy Cross awarded under Section 6242 of Title 10 of the United**
27 **States Code, an Air Force Cross awarded under Section 8742 of Section 10 of the United**
28 **States Code, a Silver Star awarded under Section 3742, 6244, or 8746 of Title 10 of the**
29 **United States Code, a Purple Heart awarded under Section 1129 of Title 10 of the United**
30 **States Code, or any replacement or duplicate medal for such medal as authorized by law,**
31 **in lieu of the penalty provided in subsection 2, 3, or 4 of this section, the offender is guilty**
32 **of a class D felony.**

33 **6. If a decoration or medal involved in an offense described in subsections 2 to 4 of**

34 **this section is the Medal of Honor awarded under Section 1560 of Title 38 of the United**
35 **States Code, the offender is guilty of a class C felony.**

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