

JOURNAL OF THE HOUSE

First Regular Session, 94th GENERAL ASSEMBLY

FORTY-FOURTH DAY, MONDAY, MARCH 26, 2007

The House met pursuant to adjournment.

Speaker Pro Tem Bearden in the Chair.

Prayer by Reverend James Earl Jackson.

Who is like You, O Lord? Who is like You, majestic in holiness, awesome in praises, working wonders?

We return to the work at hand, invigorated, having spent quality time with family, obtaining some rest and now prepared to face the essential tasks ahead.

Help us to remain watchful, responsive to the present, pressing needs of our constituents while having the perceptive ability to forge a clear path for future generations.

May we never settle into smugness, pride or apathy, but rather yield to wisdom, good judgment and insightfulness.

Now to Him Who is able to keep us from stumbling, and present us faultless before the presence of Your glory with exceeding joy, to You, Who alone is wise, be glory and majesty, dominion and power, both now and forever.

To You we pray, in the name of Your Son. Amen.

The Pledge of Allegiance to the flag was recited.

The Journal of the forty-second day was approved as printed.

The Journal of the forty-third day was approved as printed.

HOUSE COURTESY RESOLUTIONS OFFERED AND ISSUED

House Resolution No. 1348 through House Resolution No. 1432

SECOND READING OF HOUSE BILLS

HB 1153 through **HB 1156** were read the second time.

PERFECTION OF HOUSE BILLS

HCS HB 131, relating to sales and use tax exemptions, was taken up by Representative Cooper (120).

Representative Cooper (120) offered **House Amendment No. 1.***House Amendment No. 1*

AMEND House Committee Substitute for House Bill No. 131, Page 2, Section 144.054, Line 19, by inserting after all of said line the following:

"144.518. **1.** In addition to the exemptions granted pursuant to section 144.030, there is hereby specifically exempted from the provisions of sections [66.600 to 66.635, RSMo, sections 67.391 to 67.395, RSMo, sections 67.500 to 67.545, RSMo, section 67.547, RSMo, sections 67.550 to 67.594, RSMo, sections 67.665 to 67.667, RSMo, sections 67.671 to 67.685, RSMo, sections 67.700 to 67.727, RSMo, section 67.729, RSMo, sections 67.730 to 67.739, RSMo, sections 67.1000 to 67.1012, RSMo, section 82.850, RSMo, sections 92.325 to 92.340, RSMo, sections 92.400 to 92.421, RSMo, sections 94.500 to 94.570, RSMo, section 94.577, RSMo, sections 94.600 to 94.655, RSMo, section 94.660, RSMo, sections 94.700 to 94.755, RSMo, sections 94.800 to 94.825, RSMo, section 94.830, RSMo, sections 94.850 to 94.857, RSMo, sections 94.870 to 94.881, RSMo, section 94.890, RSMo, sections] 144.010 to 144.525, [and] sections 144.600 to 144.761, sections 190.335 to 190.337, RSMo, [sections] **section 238.235 [and] , RSMo, section 238.236, RSMo, section 238.410, RSMo, section 321.242, RSMo, section 573.505, RSMo, [and] section 644.032, RSMo, and any local sales tax law as defined in section 32.085, RSMo, and** from the computation of the tax levied, assessed or payable pursuant to sections [66.600 to 66.635, RSMo, sections 67.391 to 67.395, RSMo, sections 67.500 to 67.545, RSMo, section 67.547, RSMo, sections 67.550 to 67.594, RSMo, sections 67.665 to 67.667, RSMo, sections 67.671 to 67.685, RSMo, sections 67.700 to 67.727, RSMo, section 67.729, RSMo, sections 67.730 to 67.739, RSMo, sections 67.1000 to 67.1012, RSMo, section 82.850, RSMo, sections 92.325 to 92.340, RSMo, sections 92.400 to 92.421, RSMo, sections 94.500 to 94.570, RSMo, section 94.577, RSMo, sections 94.600 to 94.655, RSMo, section 94.660, RSMo, sections 94.700 to 94.755, RSMo, sections 94.800 to 94.825, RSMo, section 94.830, RSMo, sections 94.850 to 94.857, RSMo, sections 94.870 to 94.881, RSMo, section 94.890, RSMo, sections] 144.010 to 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, RSMo, [sections] **section 238.235 [and] , RSMo, section 238.236, RSMo, section 238.410, RSMo, section 321.242, RSMo, section 573.505, RSMo, [and] section 644.032, RSMo, [machines or parts for machines used in a commercial, coin-operated amusement and vending business] and any local sales tax law as defined in section 32.085, RSMo, coin-operated amusement devices and parts for such devices purchased prior to September 1, 2007, where sales tax is paid on the gross receipts derived from the use of [commercial, coin-operated amusement and vending machines] such devices.**

2. Beginning September 1, 2007, in addition to any other exemption provided by law, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, RSMo, section 238.235, RSMo, section 238.236, RSMo, section 238.410, RSMo, section 321.242, RSMo, section 573.505, RSMo, section 644.032, RSMo, and any local sales tax law as defined in section 32.085, RSMo, and from the computation of the tax levied, assessed, or payable pursuant to sections 144.010 to 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, RSMo, section 238.235, RSMo, section 238.236, RSMo, section 238.410, RSMo, section 321.242, RSMo, section 573.505, RSMo, section 644.032, RSMo, and any local sales tax law as defined in section 32.085, RSMo, amounts paid for the temporary use of a coin-operated amusement device.

3. As used in this section, "coin-operated amusement device" means a device accepting payment or items representing payments to allow one or more users temporary use of the device for entertainment or amusement purposes. Examples of coin-operated amusement devices include, but are not limited to, video games, pinball games, table games such as billiards and air hockey, and redemption games such as the claw and skee ball that may award prizes of tangible personal property.

4. In addition to any other exemptions provided by law, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, RSMo, section 238.235, RSMo, section 238.236, RSMo, section 238.410, RSMo, section 321.242, RSMo, section 573.505, RSMo, section 644.032, RSMo, and any local sales tax law as defined in section 32.085, RSMo, and from the computation of the tax levied, assessed, or payable pursuant to sections 144.010 to 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, RSMo, section 238.235, RSMo, section 238.236, RSMo, section 238.410, RSMo, section 321.242, RSMo, section 573.505, RSMo, section 644.032, RSMo, and any local sales tax law as defined in section 32.085, RSMo, vending machines or parts for vending machines used in a commercial vending business where sales tax is paid on the gross receipts derived from such vending machines."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Cooper (120), **House Amendment No. 1** was adopted.

Representative Cooper (120) offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Committee Substitute for House Bill No. 131, Page 2, Section 144.054, Line 17, by inserting immediately following the word "**consumed**" the following:

"directly in television or radio broadcasting or used or consumed"; and

Further amend said section, Line 19, by inserting immediately following the word "**product**" the following:

"and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, RSMo, and tangible personal property brought into this state for processing, fabrication, or other modification for use outside the state in the regular course of business."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Cooper (120), **House Amendment No. 2** was adopted.

Representative Skaggs offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Committee Substitute for House Bill No. 131, Page 2, Section 144.054, Line 19, by inserting after all of said line the following:

"137.1014. 1. As used in this section the following terms mean:

(1) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or improve a freight line company's qualified rolling stock;

(2) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to the tax levied pursuant to this section.

2. A freight line company is allowed a credit against the tax levied pursuant to section 137.1018 for the applicable tax year equal to the amount of eligible expenses incurred during the calendar year immediately preceding the tax year for which the credit pursuant to this section is claimed.

3. The sum of the credits pursuant to subsection 2 of this section shall not exceed a freight line company's liability for the tax levied pursuant to this section in the tax year in which the credit is claimed.

4. A freight line company may apply for the credit pursuant to subsection 2 of this section by submitting to the commission an application in the form prescribed by the state tax commission.

5. The state shall reimburse, on an annual basis, any political subdivision of this state for any decrease in revenue due to the provisions of this section."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Skaggs, **House Amendment No. 3** was adopted.

Representative Faith offered **House Amendment No. 4**.

House Amendment No. 4

AMEND House Committee Substitute for House Bill No. 131, Page 1, Section A, Line 2, by inserting after all of said line the following:

"142.817. Motor fuel sold to be used to operate public mass transportation service by a city transit authority, a city utilities board, or an interstate transportation authority, as such terms are defined in section 94.600, RSMo, a city, or an agency receiving funding from either the Federal Transit Administration's urban or nonurban formula transit programs is exempt from the fuel tax imposed by this chapter. The department shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void."; and

Further amend said bill, Page 2, Section 144.054, Line 19, by inserting after all of said line the following:

"144.062. 1. With respect to exempt sales at retail of tangible personal property and materials for the purpose of constructing, repairing or remodeling facilities for:

(1) A county, other political subdivision or instrumentality thereof exempt from taxation under subdivision (10) of section 39 of article III of the Constitution of Missouri; or

(2) An organization sales to which are exempt from taxation under the provisions of subdivision (19) of subsection 2 of section 144.030; or

(3) Any institution of higher education supported by public funds or any private not-for-profit institution of higher education, exempt from taxation under subdivision (20) of subsection 2 of section 144.030; or

(4) Any private not-for-profit elementary or secondary school exempt from taxation under subdivision (22) of subsection 2 of section 144.030; or

(5) After June 30, 2008, the department of transportation or the state highways and transportation commission, hereinafter collectively referred to as exempt entities, such exemptions shall be allowed for such purchases if the purchases are related to the entities' exempt functions and activities. In addition, the sales shall not be rendered nonexempt nor shall any material supplier or contractor be obligated to pay, collect or remit sales tax with respect to such purchases made by or on behalf of an exempt entity due to such purchases being billed to or paid for by a contractor or the exempt entity contracting with any entity to render any services in relation to such purchases, including but not limited to selection of materials, ordering, pickup, delivery, approval on delivery, taking of delivery, transportation, storage, assumption of risk of loss to materials or providing warranties on materials as specified by contract, use of materials or other purchases for construction of the building or other facility, providing labor, management services, administrative services, design or technical services or advice to the exempt entity, whether or not the contractor or other entity exercises dominion or control in any other manner over the materials in conjunction with services or labor provided to the exempt entity.

2. When any exempt entity contracts for the purpose of constructing, repairing or remodeling facilities, and purchases of tangible personal property and materials to be incorporated into or consumed in the construction of the project are to be made on a tax-exempt basis, such entity shall furnish to the contractor an exemption certificate authorizing such purchases for the construction, repair or remodeling project. The form and content of such project exemption certificate shall be approved by the director of revenue. The project exemption certificate shall include but not be limited to:

(1) The exempt entity's name, address, Missouri tax identification number and signature of authorized representative;

(2) The project location, description, and unique identification number;

(3) The date the contract is entered into, which is the earliest date materials may be purchased for the project on a tax-exempt basis;

(4) The estimated project completion date; and

(5) The certificate expiration date.

Such certificate is renewable for a given project at the option of the exempt entity, only for the purpose of revising the certificate expiration date as necessary to complete the project.

3. The contractor shall furnish the certificate prescribed in subsection 2 of this section to all subcontractors, and any contractor purchasing materials shall present such certificate to all material suppliers as authorization to purchase, on behalf of the exempt entity, all tangible personal property and materials to be incorporated into or consumed in the construction of that project and no other on a tax-exempt basis. Such suppliers shall execute to the purchasing contractor invoices bearing the name of the exempt entity and the project identification number. Nothing in this section shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in constructing, repairing or remodeling facilities for the exempt entity. All invoices for all personal property and materials purchased under a project exemption certificate shall be retained by the purchasing contractor for a period of five years and shall be subject to audit by the director of revenue.

4. Any excess resalable tangible personal property or materials which were purchased for the project by a contractor under a project exemption certificate but which were not incorporated into or consumed in the construction of the project shall either be returned to the supplier for credit or the appropriate sales or use tax on such excess property or materials shall be reported on a return and paid by such contractor not later than the due date of the contractor's Missouri sales or use tax return following the month in which it was determined that the materials were not to be used in the project.

5. No contractor or material supplier shall, upon audit, be required to pay tax on tangible personal property and materials incorporated into or consumed in the construction of the project, due to the failure of the exempt entity to revise the certificate expiration date as necessary to complete any work required by the contract. If it is determined that tax is owed on such property and materials due to the failure of the exempt entity to revise such certificate expiration date, the exempt entity shall be liable for the tax owed.

6. If an entity issues exemption certificates for the purchase of tangible personal property and materials which are incorporated into or consumed in the construction of its project and such entity is found not to have had the authority granted by this section to issue such exemption certificates, then such entity shall be liable for the tax owed on such personal property and materials. In addition, if an entity which does have the authority granted by this section to issue exemption certificates issues such certificates for the purchase of tangible personal property and materials which are incorporated into or consumed in the construction of a project, or part of a project, which is found not to be related to such entity's exempt functions and activities, then such entity shall be liable for the tax owed on such personal property and materials.

Section 1. 1. Notwithstanding any rule or law to the contrary, the department of revenue shall promulgate a uniform and simplified rule for all motor fuel tax exemptions. This uniform and simplified rule shall preempt all similar existing rules, shall minimize, if applicable, the time between requesting a refund and receiving a refund, and shall ensure that any document and administrative burdens be kept to a minimum and be shared equitably by the fuel wholesaler or fuel retailer and the tax exempt entity.

2. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly under chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void."; and

Further amend said title, enacting clause and intersectional references accordingly.

On motion of Representative Faith, **House Amendment No. 4** was adopted.

Representative Pratt offered **House Amendment No. 5.**

House Amendment No. 5

AMEND House Committee Substitute for House Bill No. 131, Page 1, Section A, by inserting after all of said section the following:

"144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as

may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824, RSMo; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310, RSMo) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation, slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a useable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms "motor vehicle" and "highway" shall have the same meaning pursuant to section 301.010, RSMo. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(5) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(6) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(7) Animals or poultry used for breeding or feeding purposes;

(8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(9) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(10) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(11) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, RSMo, solely in the transportation of persons or property in interstate commerce;

(12) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (4) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200, RSMo. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(13) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(14) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices, and so certified as such by the director of the department of natural resources, except that any action by the director pursuant to this subdivision may be appealed to the air conservation commission which may uphold or reverse such action;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices, and so certified as such by the director of the department of natural resources, except that any action by the director pursuant to this subdivision may be appealed to the Missouri clean water commission which may uphold or reverse such action;

(16) Tangible personal property purchased by a rural water district;

(17) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation;

(18) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities;

(19) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all elementary and secondary schools operated at public expense in their educational functions and activities;

(20) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (19) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(21) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any

fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530, RSMo;

(22) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, RSMo, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, RSMo, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

- (a) Used exclusively for agricultural purposes;
- (b) Used on land owned or leased for the purpose of producing farm products; and
- (c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(23) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use;

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(24) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536, RSMo, to eliminate all state and local sales taxes on such excise taxes;

(26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(27) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo, in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(28) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(29) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(30) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(31) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (4) of subsection 2 of this section;

(32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(33) Tangible personal property purchased for use or consumption directly or exclusively in the research and development of prescription pharmaceuticals consumed by humans or animals;

(34) All sales of grain bins for storage of grain for resale;

(35) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

(36) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(37) Tangible personal property purchased for use or consumption directly or exclusively in research or experimentation activities performed by life science companies and so certified as such by the director of the department of economic development or the director's designees; except that, the total amount of exemptions certified pursuant to this section shall not exceed one million three hundred thousand dollars in state and local taxes per fiscal year. For purposes of this subdivision, the term "life science companies" means companies whose primary research activities are in agriculture, pharmaceuticals, biomedical or food ingredients, and whose North American Industry Classification System (NAICS) Codes fall under industry 541710 (biotech research or development laboratories), 621511 (medical laboratories) or 541940 (veterinary services). The exemption provided by this subdivision shall expire on June 30, 2003;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo; [and]

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably

be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event; **and**

(40) All purchases by an authority created pursuant to section 64.920 RSMo."; and

Further amend said bill, Page 2, Section 144.054, by inserting after all of said section the following:

"144.062. 1. With respect to exempt sales at retail of tangible personal property and materials for the purpose of constructing, repairing or remodeling facilities for: (1) a county, other political subdivision or instrumentality thereof exempt from taxation under subdivision (10) of section 39 of article III of the Constitution of Missouri; or (2) an organization sales to which are exempt from taxation under the provisions of subdivision (19) of subsection 2 of section 144.030; or (3) any institution of higher education supported by public funds or any private not-for-profit institution of higher education, exempt from taxation under subdivision (20) **or authority exempt from taxation under subdivision (40)** of subsection 2 of section 144.030; or (4) any private not-for-profit elementary or secondary school exempt from taxation under subdivision (22) of subsection 2 of section 144.030, hereinafter collectively referred to as exempt entities, such exemptions shall be allowed for such purchases if the purchases are related to the entities' exempt functions and activities. In addition, the sales shall not be rendered nonexempt nor shall any material supplier or contractor be obligated to pay, collect or remit sales tax with respect to such purchases made by or on behalf of an exempt entity due to such purchases being billed to or paid for by a contractor or the exempt entity contracting with any entity to render any services in relation to such purchases, including but not limited to selection of materials, ordering, pickup, delivery, approval on delivery, taking of delivery, transportation, storage, assumption of risk of loss to materials or providing warranties on materials as specified by contract, use of materials or other purchases for construction of the building or other facility, providing labor, management services, administrative services, design or technical services or advice to the exempt entity, whether or not the contractor or other entity exercises dominion or control in any other manner over the materials in conjunction with services or labor provided to the exempt entity.

2. When any exempt entity contracts for the purpose of constructing, repairing or remodeling facilities, and purchases of tangible personal property and materials to be incorporated into or consumed in the construction of the project are to be made on a tax-exempt basis, such entity shall furnish to the contractor an exemption certificate authorizing such purchases for the construction, repair or remodeling project. The form and content of such project exemption certificate shall be approved by the director of revenue. The project exemption certificate shall include but not be limited to:

- (1) The exempt entity's name, address, Missouri tax identification number and signature of authorized representative;
- (2) The project location, description, and unique identification number;
- (3) The date the contract is entered into, which is the earliest date materials may be purchased for the project on a tax-exempt basis;
- (4) The estimated project completion date; and
- (5) The certificate expiration date.

Such certificate is renewable for a given project at the option of the exempt entity, only for the purpose of revising the certificate expiration date as necessary to complete the project.

3. The contractor shall furnish the certificate prescribed in subsection 2 of this section to all subcontractors, and any contractor purchasing materials shall present such certificate to all material suppliers as authorization to purchase, on behalf of the exempt entity, all tangible personal property and materials to be incorporated into or consumed in the construction of that project and no other on a tax-exempt basis. Such suppliers shall execute to the purchasing contractor invoices bearing the name of the exempt entity and the project identification number. Nothing in this section shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in constructing, repairing or remodeling facilities for the exempt entity. All invoices for all personal property and materials purchased under a project exemption certificate shall be retained by the purchasing contractor for a period of five years and shall be subject to audit by the director of revenue.

4. Any excess resalable tangible personal property or materials which were purchased for the project by a contractor under a project exemption certificate but which were not incorporated into or consumed in the construction of the project shall either be returned to the supplier for credit or the appropriate sales or use tax on such excess property or materials shall be reported on a return and paid by such contractor not later than the due date of the contractor's Missouri sales or use tax return following the month in which it was determined that the materials were not to be used in the project.

5. No contractor or material supplier shall, upon audit, be required to pay tax on tangible personal property and materials incorporated into or consumed in the construction of the project, due to the failure of the exempt entity to revise

the certificate expiration date as necessary to complete any work required by the contract. If it is determined that tax is owed on such property and materials due to the failure of the exempt entity to revise such certificate expiration date, the exempt entity shall be liable for the tax owed.

6. If an entity issues exemption certificates for the purchase of tangible personal property and materials which are incorporated into or consumed in the construction of its project and such entity is found not to have had the authority granted by this section to issue such exemption certificates, then such entity shall be liable for the tax owed on such personal property and materials. In addition, if an entity which does have the authority granted by this section to issue exemption certificates issues such certificates for the purchase of tangible personal property and materials which are incorporated into or consumed in the construction of a project, or part of a project, which is found not to be related to such entity's exempt functions and activities, then such entity shall be liable for the tax owed on such personal property and materials."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Pratt, **House Amendment No. 5** was adopted.

On motion of Representative Cooper (120), **HCS HB 131, as amended**, was adopted.

On motion of Representative Cooper (120), **HCS HB 131, as amended**, was ordered perfected and printed.

HCS HB 851, relating to the enforcement of immigration laws, was taken up by Representative Onder.

Representative Burnett offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for House Bill No. 851, Page 1, Section 28.824, Line 1, by deleting the word "shall" and insert instead the word "may"; and

Further amend Line 5, by deleting the word "shall" and insert instead the word "may"; and

Further amend Line 7, by deleting the word "shall" and insert instead the word "may"; and

Further amend said bill by amending the title, enacting clause and intersectional references accordingly.

Representative Burnett moved that **House Amendment No. 1** be adopted.

Which motion was defeated by the following vote:

AYES: 059

Aull	Baker 25	Bland	Bringer	Burnett
Casey	Chappelle-Nadal	Corcoran	Curls	Daus
Donnelly	Dougherty	El-Amin	Fallert	Fares
Flook	Frame	George	Grill	Holsman
Hubbard	Johnson	Komo	Kratky	Kuessner
Lampe	LeVota	Liese	Low 39	Lowe 44
McClanahan	Meadows	Meiners	Nasheed	Norr
Oxford	Page	Quinn 9	Robinson	Roorda
Rucker	Salva	Schoemehl	Skaggs	Spreng
Storch	Talboy	Todd	Villa	Vogt

Walsh	Walton	Whorton	Wildberger	Wright-Jones
Yaeger	Young	Zimmerman	Zweifel	

NOES: 095

Avery	Baker 123	Bearden	Bivins	Brandom
Bruns	Cooper 120	Cooper 155	Cooper 158	Cox
Cunningham 145	Cunningham 86	Davis	Deeken	Dempsey
Denison	Dethrow	Dixon	Dusenberg	Emery
Ervin	Faith	Fisher	Franz	Grisamore
Guest	Harris 23	Harris 110	Hobbs	Hodges
Hoskins	Hunter	Icet	Jones 89	Jones 117
Kelly	Kingery	Lembke	Lipke	Loehner
Marsh	May	McGhee	Moore	Munzlinger
Muschany	Nance	Nieves	Nolte	Onder
Parson	Pearce	Pollock	Portwood	Pratt
Quinn 7	Richard	Robb	Ruestman	Ruzicka
Sander	Sater	Scavuzzo	Schaaf	Schad
Schamhorst	Schieffer	Schlottach	Schneider	Schoeller
Self	Shively	Silvey	Smith 14	Smith 150
Stevenson	St. Onge	Stream	Sutherland	Swinger
Thomson	Threlkeld	Tilley	Viebrock	Wallace
Wasson	Wells	Weter	Wilson 119	Wilson 130
Witte	Wood	Wright 159	Yates	Mr Speaker

PRESENT: 000

ABSENT WITH LEAVE: 009

Bowman	Brown 30	Brown 50	Darrough	Day
Funderburk	Haywood	Hughes	Kraus	

On motion of Representative Onder, **HCS HB 851** was adopted.

On motion of Representative Onder, **HCS HB 851** was ordered perfected and printed.

HCS HB 165, relating to the establishment of the 2007 Municipal Telecommunications Business License Simplification Act, was taken up by Representative Cooper (120).

Representative Silvey assumed the Chair.

Speaker Jetton assumed the Chair.

On motion of Representative Cooper (120), **HCS HB 165** was adopted.

On motion of Representative Cooper (120), **HCS HB 165** was ordered perfected and printed.

PERFECTION OF HOUSE BILLS - INFORMAL

HB 527, relating to corporate name reservations, was taken up by Representative Cooper (120).

On motion of Representative Cooper (120), **HB 527** was ordered perfected and printed.

HB 579, relating to civil defense, was taken up by Representative Dempsey.

Representative Dempsey offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Bill No. 579, Section 44.045, Page 2, Line 15, by inserting after all of said line the following:

"Section B. Because immediate action is necessary to allow for management of health services in an emergency, the enactment of section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the enactment of section A of this act shall be in full force and effect upon its passage and approval."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

On motion of Representative Dempsey, **House Amendment No. 1** was adopted.

On motion of Representative Dempsey, **HB 579, as amended**, was ordered perfected and printed.

HB 546, relating to jury duty, was taken up by Representative Schaaf.

Representative Dougherty offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Bill No. 546, Page 2, Section 494.430, Lines 8 and 9, by deleting all of said lines and inserting in lieu thereof the following:

"(3) Any person upon whom service as a juror would in the judgment of the court impose an undue financial hardship;"; and

Further amend said section, Line 19, by inserting after all of said line the following:

"(7) Any person upon whom service as a juror would impose undue physical hardship may contact the court to be exempted from service as a juror if service would be detrimental to the health of the person. The court may request verification of physical hardship from the potential juror's physician. For the purposes of this section, personal appearance is not necessary."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Sander offered **House Amendment No. 1 to House Amendment No. 1**.

*House Amendment No. 1
to
House Amendment No. 1*

AMEND House Amendment No. 1 to House Bill No. 546, Page 1, Line 4, by inserting immediately after said line the following:

Further amend said section, Lines 18 and 19, by deleting the words **"her own child not exceeding two years of age"**; and'; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Representative Sander moved that **House Amendment No. 1 to House Amendment No. 1** be adopted.

Which motion was defeated.

Representative Dougherty moved that **House Amendment No. 1** be adopted.

Which motion was defeated.

HB 546 was laid over.

REFERRAL OF SENATE BILL

The following Senate Bill was referred to the Committee indicated:

SS#2 SCS SB 161 - Special Committee on Student Achievement

RE-REFERRAL OF SENATE BILL

The following Senate Bill was re-referred to the Committee indicated:

SB 322 - Special Committee on Urban Issues

INTRODUCTION OF HOUSE BILLS

The following House Bills were read the first time and copies ordered printed:

HB 1157, introduced by Representative Wasson, relating to fire sprinkler installer contractors.

HB 1158, introduced by Representative Bland, relating to the Missouri Consolidated Health Care Plan.

HB 1159, introduced by Representative Portwood, relating to fire departments.

HB 1160, introduced by Representative Corcoran, relating to fire departments.

HB 1161, introduced by Representatives Cunningham (86), Ruestman, Day and Nieves, relating to public school teachers.

HB 1162, introduced by Representative Schaaf, relating to emergency services.

HB 1163, introduced by Representative Schaaf, relating to consolidation of political subdivisions.

HB 1164, introduced by Representatives Scharnhorst, Cunningham (86), Robb, Pollock, Faith, Muschany and Cooper (158), relating to HVAC services.

HB 1165, introduced by Representative Yates, relating to bail bonds.

MESSAGES FROM THE SENATE

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 133**, entitled:

An act to repeal section 162.963, RSMo, and to enact in lieu thereof one new section relating to special education due process hearings.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 138**, entitled:

An act to repeal sections 115.315 and 115.327, RSMo, and to enact in lieu thereof two new sections relating to formation of a new political party.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 150**, entitled:

An act to repeal section 409.107, RSMo, and to enact in lieu thereof one new section relating to law firm and investment firm contributions in support of bond elections.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 333**, entitled:

An act to repeal sections 192.745, 199.001, 199.003, 199.009, and 304.028, RSMo, and to enact in lieu thereof five new sections relating to the brain injury advisory council.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 369**, entitled:

An act to repeal sections 43.030, 43.060, and 590.030, RSMo, and to enact in lieu thereof three new sections relating to requirements for certain law enforcement personnel.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 426**, entitled:

An act to repeal section 477.600, RSMo, and to enact in lieu thereof one new section relating to annual judicial reports.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 478**, entitled:

An act to repeal section 313.820, RSMo, and to enact in lieu thereof one new section relating to excursion gambling boat admission fee revenues.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 482**, entitled:

An act to repeal sections 337.700, 337.715, and 337.718, RSMo, and to enact in lieu thereof three new sections relating to family and marital therapists.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 488**, entitled:

An act to repeal sections 261.035, 261.230, 261.235, 261.239, and 265.200, RSMo, and to enact in lieu thereof five new sections relating to the department of agriculture.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 497**, entitled:

An act to repeal sections 58.500, 58.510, 110.130, 110.140, 110.150, and 473.743, RSMo, and to enact in lieu thereof five new sections relating to county officials.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 498**, entitled:

An act to repeal section 337.510, RSMo, and to enact in lieu thereof one new section relating to professional counselors.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 502**, entitled:

An act to authorize the conveyance of property owned by the state in Johnson County to the City of Warrensburg.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 509**, entitled:

An act to repeal section 337.715, RSMo, and to enact in lieu thereof one new section relating to marital and family therapists.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 510**, entitled:

An act to repeal sections 214.275 and 214.340, RSMo, and to enact in lieu thereof two new sections relating to cemeteries.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 516**, entitled:

An act to repeal section 517.041, RSMo, and to enact in lieu thereof one new section relating to service of process in cases before associate circuit judges.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 525**, entitled:

An act to repeal sections 333.011 and 333.121, RSMo, and to enact in lieu thereof two new sections relating to embalmers and funeral directors.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 526**, entitled:

An act to repeal sections 339.507, 339.519, 339.521, 339.525, and 339.532, RSMo, and to enact in lieu thereof five new sections relating to real estate appraisers.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 549**, entitled:

An act to repeal section 227.299, RSMo, and to enact in lieu thereof one new section relating to memorial highway designations.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 550**, entitled:

An act to repeal sections 43.010, 43.030, 43.090, 43.110, 43.120, 43.140, 43.210, and 43.220, RSMo, and to enact in lieu thereof eight new sections relating to the Missouri state highway patrol.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 559**, entitled:

An act to repeal section 246.005, RSMo, and to enact in lieu thereof one new section relating to levee districts, with an emergency clause.

Emergency clause adopted.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SCS SB 594**, entitled:

An act to repeal sections 105.961, 105.963, and 130.057, RSMo, and to enact in lieu thereof three new sections relating to ethics, with penalty provisions.

In which the concurrence of the House is respectfully requested.

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed **SB 671**, entitled:

An act to repeal sections 70.515 and 70.545, RSMo, and to enact in lieu thereof two new sections relating to the regional investment district compact.

In which the concurrence of the House is respectfully requested.

MESSAGE FROM THE GOVERNOR

EXECUTIVE OFFICE

March 22, 2007

TO THE CHIEF CLERK OF THE
HOUSE OF REPRESENTATIVES
94th GENERAL ASSEMBLY
FIRST REGULAR SESSION
STATE OF MISSOURI:

Herewith I return to you **Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 14** entitled:

"AN ACT"

To appropriate money for supplemental purposes for the several departments and offices of state government, and for purchase of equipment, and for planning, expenses, and for capital improvements including but not limited to major additions and renovations, new structures, and land improvements, and for the payment of various claims for refunds, for persons, firms, and corporations, and for other purposes, and to transfer money among certain funds, from the funds designated for the fiscal period ending June 30, 2007.

On March 22, 2007, I approved said **Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 14**.

Respectfully submitted,

/s/ Matt Blunt
Governor

RECESS

On motion of Representative Dempsey, the House recessed until such time that the Supplemental Calendar is distributed, and then stand adjourned until 10:00 a.m., Tuesday, March 27, 2007.

COMMITTEE REPORTS

Special Committee on Agri-Business, Chairman Munzlinger reporting:

Mr. Speaker: Your Special Committee on Agri-Business, to which was referred **HB 343**, begs leave to report it has examined the same and recommends that the **House Committee Substitute Do Pass**, and pursuant to Rule 25(21)(f) be referred to the Committee on Rules.

Committee on Rules, Chairman Cooper (120) reporting:

Mr. Speaker: Your Committee on Rules, to which was referred **HB 1**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 2**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 3**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 4**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 5**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 6**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 7**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 8**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 9**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 10**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 11**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 12**, begs leave to report it has examined the same and recommends that it **Do Pass**.

Mr. Speaker: Your Committee on Rules, to which was referred **HCS HB 13**, begs leave to report it has examined the same and recommends that it **Do Pass**.

SUPPLEMENTAL CALENDAR

MARCH 26, 2007

HOUSE BILLS FOR PERFECTION - APPROPRIATIONS

- 1 HB 1 - Icet
- 2 HCS HB 2 - Icet
- 3 HCS HB 3 - Icet
- 4 HCS HB 4 - Icet
- 5 HCS HB 5 - Icet

- 6 HCS HB 6 - Icet
- 7 HCS HB 7 - Icet
- 8 HCS HB 8 - Icet
- 9 HCS HB 9 - Icet
- 10 HCS HB 10 - Icet
- 11 HCS HB 11 - Icet
- 12 HCS HB 12 - Icet
- 13 HCS HB 13 - Icet

The following member's presence was noted: Kraus.

ADJOURNMENT

Pursuant to the motion of Representative Dempsey, the House adjourned until 10:00 a.m., Tuesday, March 27, 2007.

COMMITTEE MEETINGS

CONSERVATION AND NATURAL RESOURCES

Wednesday, March 28, 2007, 8:00 a.m. Hearing Room 4.

Possible Executive session.

Public hearings to be held on: HB 1023, HB 647, SCS SB 420

CORRECTIONS AND PUBLIC INSTITUTIONS

Tuesday, March 27, 2007, 5:00 p.m. Hearing Room 4.

Executive session may follow.

Public hearings to be held on: SCS SB 115, SB 152, SCS SB 288

CRIME PREVENTION AND PUBLIC SAFETY

Tuesday, March 27, 2007, 12:00 p.m. Hearing Room 6.

Executive session may follow.

Public hearing to be held on: HB 726

ELECTIONS

Tuesday, March 27, 2007, 8:00 a.m. Hearing Room 5.

Public hearings to be held on: HJR 25, HB 867, HB 1074

HEALTH CARE POLICY

Tuesday, March 27, 2007, 12:00 p.m. Hearing Room 7.

Executive session may follow.

Public hearing to be held on: HB 803

HIGHER EDUCATION

Tuesday, March 27, 2007, 5:00 p.m. Hearing Room 1.

Executive session will be held on: HB 249, HB 532, HB 613

JOINT COMMITTEE ON ADMINISTRATIVE RULES

Wednesday, March 28, 2007, 7:00 a.m. Senate Lounge.

11 CSR 45-13.055 - Department of Public Safety, Missouri Gaming Commission, Hearings, Emergency Order Suspending License Privileges - Expedited Hearing.

JUDICIARY

Tuesday, March 27, 2007, 12:00 p.m. Hearing Room 1.

Executive session may follow.

Public hearings to be held on: HB 504, HB 763, HB 822, HB 930

LOCAL GOVERNMENT

Tuesday, March 27, 2007, 8:00 a.m. Hearing Room 6.

Executive session may follow. AMENDED

Public hearings to be held on: HB 416, HB 103, HB 913

SPECIAL COMMITTEE ON AGRI-BUSINESS

Tuesday, March 27, 2007, 8:00 a.m. Hearing Room 4.

Possible Executive session.

Public hearing to be held on: SB 315

SPECIAL COMMITTEE ON ENERGY AND ENVIRONMENT

Tuesday, March 27, 2007, 1:00 p.m. Hearing Room 2.

Executive session ONLY.

SPECIAL COMMITTEE ON FAMILY SERVICES

Wednesday, March 28, 2007, 8:00 a.m. Hearing Room 1.

Executive session may follow.

Public hearings to be held on: HB 821, HB 1055

SPECIAL COMMITTEE ON GENERAL LAWS

Wednesday, March 28, 2007, 5:00 p.m. Hearing Room 7.

Executive session may follow.

Public hearings to be held on: HB 868, SS SB 195

SPECIAL COMMITTEE ON GOVERNMENT AFFAIRS

Tuesday, March 27, 2007, 8:00 a.m. Hearing Room 7.

Executive session may follow.

Public hearings to be held on: SB 218, SB 407, SCR 18

SPECIAL COMMITTEE ON HEALTHCARE FACILITIES

Tuesday, March 27, 2007, 5:00 p.m. Hearing Room 6.

Executive session may follow.

Working session will be held in regards to Medicaid reform. AMENDED

Public hearings to be held on: SB 298, SCS SB 397

SPECIAL COMMITTEE ON JOB CREATION AND ECONOMIC DEVELOPMENT

Wednesday, March 28, 2007, 8:30 a.m. Hearing Room 7.

Executive session may follow.

Public hearings to be held on: HB 758, HB 995

SPECIAL COMMITTEE ON TAX REFORM

Tuesday, March 27, 2007, 12:00 p.m. Hearing Room 4.

Executive session may follow. AMENDED

Public hearings to be held on: HB 1034, HB 1089, SB 233

SPECIAL COMMITTEE ON URBAN ISSUES

Tuesday, March 27, 2007, Hearing Room 7, 5:00 p.m. or upon afternoon adjournment.

Executive session may follow.

Public hearings to be held on: HB 258, HB 589

TRANSPORTATION

Tuesday, March 27, 2007, 8:00 a.m. Hearing Room 1.

Executive session may follow.

Work session on Omnibus bill.

Public hearings to be held on: HB 510, HB 642, HB 738

HOUSE CALENDAR

FORTY-FIFTH DAY, TUESDAY, MARCH 27, 2007

HOUSE BILLS FOR SECOND READING

HB 1157 through HB 1165

HOUSE JOINT RESOLUTIONS FOR PERFECTION

1 HJR 21 - Cooper (120)

2 HJR 19 - Bearden

HOUSE BILLS FOR PERFECTION - APPROPRIATIONS

1 HB 1 - Icet

2 HCS HB 2 - Icet

3 HCS HB 3 - Icet

4 HCS HB 4 - Icet

5 HCS HB 5 - Icet

6 HCS HB 6 - Icet

7 HCS HB 7 - Icet

8 HCS HB 8 - Icet

9 HCS HB 9 - Icet

10 HCS HB 10 - Icet

11 HCS HB 11 - Icet

- 12 HCS HB 12 - Icet
- 13 HCS HB 13 - Icet

HOUSE BILLS FOR PERFECTION

- 1 HCS HB 61 - Ruestman
- 2 HCS HB 90 - St. Onge
- 3 HCS HB 889 - Emery
- 4 HCS HB 820 - Moore
- 5 HCS HB 111 - Cunningham (145)
- 6 HB 213 - Cunningham (86)
- 7 HCS HB 448 - Spreng
- 8 HCS HB 466 - Schaaf
- 9 HCS HBs 365, 804 & 805 - Ervin
- 10 HCS HB 182 - Bruns
- 11 HCS HB 338 - Tilley
- 12 HCS HB 827 - Muschany
- 13 HCS HB 771 - Bearden
- 14 HCS HBs 180, 396 & 615 - Day
- 15 HCS HB 238 - Yates
- 16 HB 360 - Robb
- 17 HCS HB 788 - Cooper (155)
- 18 HCS HB 551 - Dempsey
- 19 HCS HB 218 - Stevenson
- 20 HB 224 - Franz
- 21 HCS HB 104 - Meiners
- 22 HB 42 - Portwood
- 23 HB 56 - Sater
- 24 HCS HB 181 - Sander
- 25 HB 233 - Tilley
- 26 HB 554 - Cooper (155)
- 27 HCS HB 555 - Cooper (155)
- 28 HB 574 - St. Onge
- 29 HB 596 - St. Onge
- 30 HCS HB 811 - Schad
- 31 HCS HB 245 - St. Onge
- 32 HB 412 - Emery
- 33 HCS HB 457 - Sutherland
- 34 HB 462 - Munzlinger
- 35 HB 215 - Stevenson
- 36 HB 432 - Schaaf
- 37 HB 482 - Walton
- 38 HCS HB 699 - Tilley
- 39 HCS HB 768 - St. Onge
- 40 HCS HB 795 - Flook
- 41 HCS HB 122 - Nance

- 42 HCS HB 891 - Kratky
- 43 HCS HB 914 - Wasson

HOUSE BILLS FOR PERFECTION - INFORMAL

- 1 HCS HB 669 - Pearce
- 2 HB 546 - Schaaf
- 3 HCS#2 HB 28 - Cunningham (86)
- 4 HCS HB 431 - Pratt
- 5 HCS HB 894 - Hoskins

HOUSE BILLS FOR PERFECTION - FEDERAL MANDATE

- 1 HB 265 - Cunningham (86)
- 2 HB 267 - Jones (117)
- 3 HB 744 - St. Onge
- 4 HB 987 - Wasson

HOUSE BILLS FOR PERFECTION - CONSENT

(3/14/07)

- 1 HB 933 - Grill
- 2 HB 1014 - Wright

(3/16/07)

- 1 HB 41 - Portwood
- 2 HB 428 - Cox
- 3 HCS HB 616 - Wood
- 4 HB 684 - Bruns
- 5 HB 740 - Pearce
- 6 HB 941 - Kingery

HOUSE BILL FOR THIRD READING

HCS HB 364, (Fiscal Review 3-15-07) - Ervin

HOUSE BILL FOR THIRD READING - CONSENT

HB 910 - Fares

SENATE BILLS FOR SECOND READING

- 1 SB 133
- 2 SB 138
- 3 SCS SB 150

4	SCS SB 333
5	SCS SB 369
6	SB 426
7	SB 478
8	SCS SB 482
9	SB 488
10	SCS SB 497
11	SB 498
12	SB 502
13	SB 509
14	SB 510
15	SB 516
16	SCS SB 525
17	SCS SB 526
18	SB 549
19	SB 550
20	SB 559
21	SCS SB 594
22	SB 671

HOUSE CONCURRENT RESOLUTIONS

1	HCR 28, (2-27-07, Pages 438-439) - Walton
2	HCR 16, (2-21-07, Pages 435-436) - Deeken
3	HCR 17, (2-21-07, Page 437) - Fisher
4	HCR 30, (2-28-07, Page 508) - Pratt
5	HCR 8, (2-21-07, Pages 437-438) - Loehner
6	HCR 11, (3-07-07, Pages 583-584) - Ervin
7	HCR 24, (2-28-07, Pages 505-506) - Wilson (130)

HOUSE RESOLUTIONS

1	HR 65, (2-27-07, Page 491) - Schaaf
2	HR 433, (2-28-07, Pages 507-508) - Jetton