JOURNAL OF THE HOUSE

VETO SESSION

First Regular Session, 94th GENERAL ASSEMBLY

FIRST DAY, Wednesday, September 12, 2007

Speaker Jetton in the Chair.

Prayer by Representative Jeff Grisamore.

Heavenly Father, we come before Your Throne of Grace on this final day of the First Regular Session of the 94th General Assembly of the Great State of Missouri. We thank You for all that has been accomplished this session for the people of Missouri.

Father, we thank You for the incredible and awesome privilege You have given us to represent and serve our constituents and the people of Missouri. We pray for Your continued strength and wisdom to serve them well. We ask You for Your continued blessing and favor upon our State and all of its people—that You, O God, would shed Your grace upon Missouri.

We thank You that Your Word says that You are the God of all comfort and a Father of the fatherless and defender of widows. As yesterday was the 6th anniversary of the terrorists' attacks of September 11, 2001, we ask You for Your continued comfort to the families who lost loved ones on that tragic day, and we thank You that You are a Father to the fatherless and a defender of widows who lost loved ones that day.

We continue to pray for our brave men and women in uniform who are engaging in the global war on terror. We pray that You would protect them and provide for their families in their absence.

As we close our First Regular Session of this 94th General Assembly today and look forward the Second Session next year, we remember Your Word in Psalm 133 that says how good and pleasant it is when brethren dwell together in unity and that in that place You command a blessing.

We thank You for the many things that we have been able to accomplish in a bi-partisan way and ask You for a spirit of unity as we move forward next year.

We ask for Your continued wisdom, counsel and strength to serve our constituents and the people of Missouri; and we thank You for Your grace and mercy that we receive from You daily. In Jesus' Name, Amen.

The Pledge of Allegiance to the flag was recited.

The Speaker appointed the following to act as Honorary Pages for the Day, to serve without compensation: Kelsey Moore, Megan Kelly, Joseph Dockins, Jennifer Elizabeth Scott and Diane Smith.

HOUSE RESOLUTION

Representative Tilley offered **House Resolution No. 1**, which was read.

HOUSE RESOLUTION NO. 1

BE IT RESOLVED, that the Chief Clerk of the House of Representatives of the Ninety-fourth General Assembly, First Regular Session, inform the Governor and the Senate that the House is duly convened and is now in session in the 2007 Constitutional Veto Session and ready for consideration of business.

On motion of Representative Tilley, **House Resolution No. 1** was adopted by the following vote:

AYES: 148

Baker 25 Bivins Bland Aull Avery Brown 30 Brown 50 Bruns Brandom Bringer Casey Cooper 120 Cooper 155 Corcoran Cox Cunningham 145 Cunningham 86 CurlsDarrough Davis Day Deeken Dempsey Denison Dethrow Dixon Donnelly Dusenberg E1-Amin Emery Ervin Faith Fallert Fares Fisher Flook Frame Franz Funderburk George Grill Grisamore Guest Harris 23 Harris 110 Hoskins Hobbs Hodges Holsman Hubbard Hughes Hunter Icet Jones 89 Jones 117 Kelly Kingery Komo Kraus Kuessner Lampe Lembke LeVota Liese Loehner Low 39 Lowe 44 May McClanahan McGhee Meiners Munzlinger Meadows Moore Muschany Nance Nasheed Nieves Nolte Norr Onder Oxford Page Parson Pearce Pollock Portwood Pratt Quinn 7 Quinn 9 Richard Robb Robinson Roorda Rucker Ruestman Ruzicka Salva Sander Sater Scavuzzo Schaaf Schad Scharnhorst Schoemehl Schieffer Schlottach Schneider Schoeller Self Smith 14 Shively Silvey Skaggs Smith 150 Spreng Stevenson St. Onge Storch Stream Sutherland Swinger Thomson Threlkeld Tilley Todd Viebrock Villa Wallace Walsh Walton Wasson Wells Weter Wilson 119 Wilson 130 Witte Whorton Wildberger Wood Wright 159 Wright-Jones Yaeger Yates Zimmerman Zweifel Mr Speaker

NOES: 002

Burnett Talboy

PRESENT: 000

ABSENT WITH LEAVE: 010

Baker 123 Bowman Chappelle-Nadal Dougherty Haywood Johnson Lipke Marsh Vogt Young

VACANCIES: 003

MESSAGE FROM THE SENATE

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and adopted **SR 1**.

SENATE RESOLUTION NO. 1

BE IT RESOLVED by the Senate that the Secretary of Senate inform the House of Representatives that the Senate is duly convened and is now in session as provided by Article III, Section 32 of the Constitution and is ready for the consideration of its business.

MESSAGES FROM THE GOVERNOR

June 27, 2007

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 9 entitled:

"AN ACT"

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Corrections and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, for the period beginning July 1, 2007 and ending June 30, 2008.

Section 9.210

I hereby veto the words "Personal Service." As acknowledged by the General Assembly, the inclusion of this text was a typographical error. Without correction, the result of the insertion would be to prevent the Department of Corrections from providing substance abuse treatment for incarcerated offenders. Such a result would contravene the stated intent of the section.

On June 27, 2007 I approved said Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 9 except for those items specifically vetoed and not approved.

Respectfully submitted,

/s/ Matt Blunt Governor

June 27, 2007

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 12 entitled:

"AN ACT"

To appropriate money for the expenses, grants, refunds, and distributions of the Chief Executive's Office and Mansion, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, Attorney General, Missouri Prosecuting Attorneys and Circuit Attorneys Retirement Systems, and the Judiciary

4 Journal of the House

and the Office of the State Public Defender, and the several divisions and programs thereof, and for the payment of salaries and mileage of members of the State Senate and the House of Representatives and contingent expenses of the General Assembly, including salaries and expenses of elective and appointive officers and necessary capital improvements expenditures; for salaries and expenses of members and employees and other necessary operating expenses of the Missouri Commission on Interstate Cooperation, the Committee on Legislative Research, various joint committees, for the expenses of the interim committees established by the General Assembly, and to transfer money among certain funds, to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, for the period beginning July 1, 2007 and ending June 30, 2008.

Section 12.400

I hereby veto \$155,760 general revenue for parking expenses. Under RSMo § 600.040.1, these expenses are the responsibility of the participating counties.

Personal Service and/or Expense and Equipment by \$155,760 from \$29,444,864 to \$29,289,104 from the General Revenue Fund.

From \$32,836,366 to \$32,680,606 from the General Revenue Fund. From \$36,287,857 to \$36,132,097 in total for the section.

On June 27, 2007 I approved said Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 12 except for those items specifically vetoed and not approved.

Respectfully submitted,

/s/ Matt Blunt Governor

July 6, 2007

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 327 entitled:

"AN ACT"

To repeal sections 21.750, 32.105, 32.115, 99.805, 99.820, 99.825, 100.286, 135.400, 135.403, 135.460, 135.478, 135.500, 135.535, 135.545, 135.550, 135.600, 135.630, 135.750, 135.950, 135.963, 135.967, 135.1150, 137.106, 142.815, 144.030, 144.605, 147.010, 173.196, 173.796, 178.895, 178.896, 208.750, 208.755, 238.202, 238.207, 238.208, 238.225, 238.230, 238.275, 348.300, 578.395, 620.495, 620.521, 620.523, 620.527, 620.528, 620.529, 620.530, 620.537, 620.638, 620.1039, 620.1878, and 620.1881, RSMo, and to enact in lieu thereof eighty-two new sections relating to certain programs administered by the department of economic development.

I disapprove of Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 327. My reasons for disapproval are as follows:

I. The bill would create a new incentive program that is poorly structured because it is not aimed at attracting businesses to create jobs with health insurance and above-average pay.

House Bill 327 creates a Quality Jobs type program for small businesses. However, businesses that pay only 85 percent of the average county wage and do not offer health insurance coverage would be able to qualify for incentives under the program. I remain insistent that any incentives of this type pay employees at or above the

average county wage, or the average state wage in some instances, and provide health insurance to its employees consistent with the Quality Jobs Program.

II. The bill could force Missouri businesses to operate at a competitive disadvantage due to changes in state tax laws.

The language changing current law regarding the presence of businesses in the state and their tax liability is bad public policy. The resulting effect could put businesses already operating in Missouri at a competitive disadvantage. The bill would also create an opportunity for businesses to realign their corporate structure to avoid tax liability. Finally, even though the short-term fiscal impact would be minimal, the long-term negative impact on state revenues could be substantial.

III. The bill would put the Quality Jobs Program at risk to a legal challenge.

Language in the bill could undermine the basic objectives of the highly successful Quality Jobs Program. The bill adds a provision to the Quality Jobs Act allowing a 50 percent tax credit for companies that provide tuition reimbursement to eligible employees. The credit is capped at \$5,000 per employee with a total annual cap of \$250,000. When this provision was added, the definition of employee was changed to a full-time worker who has an annual salary equal to or less than the average county wage. This definition was supposed to apply only to the eligibility for the tuition reimbursement tax credit, but, due to what I assume was an inadvertent drafting error, was made to a definition that applies to the entire Quality Jobs Program. This creates a potential legal issue regarding companies that pay above average county wages and their ability to qualify for benefits and companies that pay less than average county wages and their potential for claiming benefits. This could lead to valuable tax credit cap allocation being consumed by jobs that are less desirable than the high quality jobs the program was intended to encourage.

IV. The bill would create a regional railroad authority giving eminent domain and taxing authority to unelected officials.

House Bill 327 authorizes local government entities to create a new type of political subdivision called a regional railroad authority. Regional railroad authorities created under this legislation will be directed by unelected officials and granted some degree of eminent domain and taxing powers. This comes at a time when we have been working successfully to end the abuse of eminent domain authority to protect private landowners.

V. The bill could divert money intended to support regional airports across Missouri to fund a tax exemption on fuel purchases for flights that merely connect to transoceanic flights departing from an out-of-state city.

House Bill 327 creates a fuel-tax exemption for transoceanic flights originating in Missouri. Currently, there are no such flights. However, there is concern that airlines could claim the exemptions for flights that merely connect to transoceanic flights in non-Missouri cities. Those claims could lead to a loss of \$400,000 in state revenue that is intended to support regional airports across Missouri.

VI. The bill includes language which conflicts with provisions in Senate Bill 30, which was signed into law on June 13, 2007.

The bill contains two provisions that conflict with language in Senate Bill 30. First, subsection two of Section 144.054 creates a sales tax exemption for energy sources used in manufacturing, and in research and development. With regard to this exemption, Senate Bill 30 references the term "other energy sources" while House Bill 327 references the term "other utilities." Because the terminology is different, it is estimated to cost an additional \$27 million in general revenue to implement the provisions in both bills. Secondly, the exemptions for energy sources created by both bills do not align. SB 30 does not apply the exemption to local sales taxes while HB 327 does exempt local sales taxes. Local government officials have raised concerns about the conflict.

6 Journal of the House

For the above stated reasons, I am returning Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 327 without my approval.

Respectfully submitted,

/s/ Matt Blunt Governor

HOUSE BILLS VETOED FROM THE FIRST REGULAR SESSION

Speaker Jetton read the following House Bills vetoed from the First Regular Session: CCS SCS HCS HB 9, CCS SCS HCS HB 12 and SS SCS HCS HB 327.

HOUSE RESOLUTION

Representative Tilley offered House Resolution No. 2, which was read.

HOUSE RESOLUTION NO. 2

BE IT RESOLVED by the House of Representatives, that the Chief Clerk of the House of Representatives inform the Senate that the House, having been duly convened as provided by Section 32, Article III of the Constitution, made no motions to override the Governor's vetoes on CCS SCS HCS HB 9, CCS SCS HCS HB 12 and SS SCS HCS HB 327 when the bills were called by the Speaker.

On motion of Representative Tilley, House Resolution No. 2 was adopted.

NOMINATIONS FOR SPEAKER PRO TEM

Representative Kingery nominated Representative Pratt for Speaker Pro Tem of the House.

Representative Schoeller seconded the nomination.

Representative Swinger nominated Representative Kuessner for Speaker Pro Tem of the House.

Representative Zweifel seconded the nomination.

Representative Kuessner withdrew his nomination.

Representative Tilley moved that nominations for Speaker Pro Tem of the House cease and Representative Pratt be elected by acclamation.

Which motion was adopted.

The following committee was appointed to escort Representative Pratt to the dais: Smith (14), Schneider, Avery, Smith (150), Jones (89), Wallace, Burnett, Dougherty, Hubbard and Hughes.

Representative Pratt subscribed to the oath of office, which was administered by the Honorable Harold (Hal) Lowenstein, Judge, Western District of Missouri Court of Appeals.

Speaker Pro Tem Pratt assumed the Chair.

ADDRESS BY SPEAKER PRO TEM PRATT

In 2002, I was first elected to the Missouri House on my one month wedding anniversary - since that time, Sherry and I have two beautiful children and are nearing our fifth wedding anniversary. It has been an amazing five years in my personal life, and an amazing five years for the State of Missouri.

Five years ago, we faced tremendous budget shortfalls. Education dollars were withheld from our schools. Missouri was losing jobs. The debate in Jefferson City was focused on tax increases. Partisanship was at an all time high. In a nutshell - our great state was not doing well.

In the last five years, life has improved for Missourians. Several economic development bills have passed to increase the number of jobs in our state - more Missourians are working! School funding has dramatically increased in the last five years - Missouri children are getting a better education! More scholarships and improved funding for higher education - more Missouri children are going to college! We passed Jessica's Law and several bills to stop methamphetamine - Missourians are safer! We passed Social Security tax relief, retirement tax relief, and property tax relief - We are letting Missourians keep more of the money they earn! We passed the conceal and carry bill and the castle doctrine - We respect Missourians' gun rights! We have decreased the number of abortions in the State of Missouri - We have respected life!

Finally, the climate has improved in the Missouri House of Representatives. Republicans and Democrats have equal debate time on important bills - both sides have the opportunity to be heard. We have considered many Republican and Democrat bills in the Missouri House in the past five years. We have improved our great state by working in a bipartisan fashion to improve the lives of our constituents.

As Speaker Pro Tem, I pledge to work with all members to continue the great work of the Missouri House of Representatives. I am very excited about the future of our great state, and I look forward to seeing the results of our hard work on my 6th, 7th, and 8th wedding anniversary.

May God Bless you, and may God Bless the great state of Missouri.

Speaker Jetton resumed the Chair.

The following member's presence was noted: Vogt.

ADJOURNMENT

On motion of Representative Tilley, the Veto Session of the Ninety-fourth General Assembly, First Regular Session, adjourned sine die pursuant to the Constitution.

ROD JETTON Speaker of the House

D. ADAM CRUMBLISS Chief Clerk of the House