



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1659		DATE: 2/10/2026
COMMITTEE: Higher Education and Workforce Development		
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
INDIVIDUAL:		
WITNESS NAME: MATT THOMPSON		PHONE NUMBER:
BUSINESS/ORGANIZATION NAME:		TITLE:
ADDRESS:		
CITY:		STATE: ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 2/10/2026 12:00 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.		



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WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: RAY MCCARTY		PHONE NUMBER: 573-634-2246	
BUSINESS/ORGANIZATION NAME: ASSOCIATED INDUSTRIES OF MISSOURI		TITLE: PRESIDENT/CEO	
ADDRESS: 3234 W TRUMAN BLVD			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65109
EMAIL: rmccarty@aimo.com	ATTENDANCE: Written	SUBMIT DATE: 2/10/2026 2:11 PM	

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Associated Industries of Missouri supports this bill providing incentives to companies that convert their operations so they may provide strategic materials that are important to our independence and self-sufficiency as a country.



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WITNESS NAME		
INDIVIDUAL:		
WITNESS NAME: ABIGAIL HERNDON		PHONE NUMBER:
BUSINESS/ORGANIZATION NAME:		TITLE:
ADDRESS:		
CITY:		STATE: ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 2/10/2026 6:52 PM
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This will increase the budget deficit by nearly 10 million dollars a year. Where will the funds be pulled from the general revenue? Education, public safety or just another tax for Missouri's people to bare the financial burden? The money will be distributed by the state treasurer and not a dedicated committee or budget committee. This can allow mining of rare and toxic earth minerals for data centers as they consume massive amounts of these rare minerals.



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WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: ARNIE C. A.C. "HONEST ABE" DIENOFF		PHONE NUMBER: 314-440-9000	
BUSINESS/ORGANIZATION NAME: MISSOURI STATE PUBLIC ADVOCACY		TITLE: STATE PUBLIC ADVOCATE	
ADDRESS: PO BOX 1535			
CITY: O'FALLON		STATE: MO	ZIP: 63366
EMAIL:	ATTENDANCE:	SUBMIT DATE: 2/10/2026 12:00 AM	
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WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: KORTNIE HUDDLESTON		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 2/10/2026 11:29 PM	

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This bill establishes a corporate grant program that risks misallocating public funds towards private enterprises without sufficient guarantees of public benefit. This represents a troubling use of state resources.

The program directs up to ten million dollars annually into a fund for companies to retool facilities. While promoting energy independence and defense manufacturing sounds positive, the criteria are vague. "Strategic materials" are defined in consultation with federal defense and energy departments, potentially prioritizing national security interests over Missouri's local needs like renewable energy or public infrastructure. This could funnel state money into industries that do not align with community welfare or environmental justice.

The bill requires a minimum private investment of five hundred thousand dollars, but the state grant can cover up to one million dollars per company per year. This creates a significant risk of subsidizing large corporations that could finance their own conversions, effectively transferring public wealth to private entities. There is no requirement for these companies to pay prevailing wages, remain neutral in union organizing efforts, or share profits with the public. The jobs created may be low-wage or temporary, with no strong provisions ensuring they go to local workers.

Accountability measures are weak. Companies failing to meet requirements may only have to repay a "proportionate amount" of the grant, a loophole that could allow them to retain public money despite not fulfilling promises. The annual report to the legislature only requires an "estimated economic impact," not a rigorous analysis of job quality, community benefits, or environmental effects.

Progressive policy should prioritize direct public investment in green jobs, affordable housing, and resilient infrastructure. This bill instead offers a blank check to businesses with minimal strings attached, favoring corporate interests over the common good. We should invest in our people and communities directly, not in hope that subsidizing private companies will trickle down.



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WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: MICHAEL DREYER		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 2/10/2026 11:28 PM	

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WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: SARAH BERRY		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 2/9/2026 10:56 AM	

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I respectfully submit this testimony in opposition to House Bill 1659 on constitutional, statutory, and fiscal-accountability grounds.

Although styled as an economic-development incentive, HB 1659 delegates core legislative authority to the Department of Economic Development without articulating meaningful standards, safeguards, or limiting principles.

The bill authorizes the department to determine which materials qualify as “strategic,” which companies receive public funds, and under what conditions repayment is required—decisions that are inherently legislative in nature.[1]

Both the United States Constitution and the Missouri Constitution prohibit the General Assembly from transferring its policymaking responsibility to executive agencies without clear guidance.[2]

HB 1659 fails to define the criteria by which “strategic materials” are designated, instead relying on discretionary determinations made in consultation with federal agencies. This structure invites arbitrary application and undermines democratic accountability.

Additionally, the bill raises equal-protection and special-law concerns by establishing a subsidy framework that disproportionately benefits large, well-capitalized entities while excluding similarly situated businesses without a rational or articulated basis.[3]

Missouri’s Constitution imposes heightened restrictions on legislation that operates as a special law in practice, even when written in general terms.[4]

The bill further risks violating Missouri’s public-purpose doctrine.

While public funds may be used to promote economic development, such expenditures must be accompanied by enforceable public benefits and meaningful safeguards.

HB 1659 provides neither. It lacks long-term job-retention requirements, supply-chain commitments, or guarantees that the subsidized production will continue to serve Missouri’s interests after conversion. [5]

Finally, the bill’s vague compliance and repayment provisions raise due-process concerns by granting

the department broad discretion without clear statutory standards, exposing recipients—and taxpayers—to unpredictable and inconsistent outcomes.[6]

For these reasons, House Bill 1659 is constitutionally infirm, fiscally risky, and inconsistent with Missouri's longstanding limits on delegation and public subsidization.

I urge the committee to reject this bill or substantially amend it to include clear standards, accountability mechanisms, and constitutional safeguards.

FOOTNOTES

[1] *Whitman v. American Trucking Ass'ns*, 531 U.S. 457, 472 (2001) (Congress may not delegate legislative power without an intelligible principle)

[2] Mo. Const. art. III, §1; *State ex rel. Missouri Growth Ass'n v. State Tax Comm'n*, 998 S.W.2d 786 (Mo. banc 1999)

[3] *Allegheny Pittsburgh Coal Co. v. County Comm'n*, 488 U.S. 336 (1989)

[4] Mo. Const. art. III, §§40–41; *Blaske v. Smith*, 821 S.W.2d 822 (Mo. banc 1991)

[5] Mo. Const. art. III, §§38(a), 39(1); *Curchin v. Missouri Industrial Dev. Bd.*, 722 S.W.2d 930 (Mo. banc 1987)

[6] *FCC v. Fox Television Stations*, 567 U.S. 239 (2012); Mo. Const. art. I, §10