



MISSOURI HOUSE OF REPRESENTATIVES  
**WITNESS APPEARANCE FORM**

BILL NUMBER: <b>HB 3308</b>		DATE: <b>2/25/2026</b>
COMMITTEE: <b>Commerce</b>		
<b>TESTIFYING:</b> <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
<b>WITNESS NAME</b>		
<b>BUSINESS/ORGANIZATION:</b>		
WITNESS NAME: <b>RAY MCCARTY</b>		PHONE NUMBER: <b>573-634-2246</b>
BUSINESS/ORGANIZATION NAME: <b>ASSOCIATED INDUSTRIES OF MISSOURI</b>		TITLE: <b>PRESIDENT/CEO</b>
ADDRESS: <b>3234 W TRUMAN BLVD</b>		
CITY: <b>JEFFERSON CITY</b>		STATE: <b>MO</b>
		ZIP: <b>65109</b>
EMAIL: <b>rmccarty@aimo.com</b>	ATTENDANCE: <b>In-Person</b>	SUBMIT DATE: <b>2/24/2026 4:49 PM</b>

**THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.**

**Associated Industries of Missouri supports this bill providing a sales tax exemption for contractors building projects that will be transferred to federal, state or local governments. We suggest the words "and invalidating" on page 3, line 74, to avoid accidentally nullifying a similar provision in section 144.062 which provides a similar exemption for contracts with certain exempt entities.**



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<b>WITNESS NAME</b>			
<b>INDIVIDUAL:</b>			
WITNESS NAME: <b>ARNIE C. "HONEST-ABE" DIENOFF-STATE PUBLIC ADVOCAT</b>		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: <b>In-Person</b>	SUBMIT DATE: <b>2/25/2026 11:45 PM</b>	
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**I am Opposed to this Legislation.**



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<b>WITNESS NAME</b>			
<b>INDIVIDUAL:</b>			
WITNESS NAME: <b>SARAH BERRY</b>		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: <b>Written</b>	SUBMIT DATE: <b>2/24/2026 1:28 PM</b>	
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Legally vulnerable in part; structurally high-risk.

**1. Special Law / Geographic Targeting (Mo. Const. Art. III, §40)**

Subsection 6 limits the nuclear security enterprise exemption to:

“any city with more than four hundred thousand inhabitants and located in more than one county.”

This is a closed classification that appears tailored to a single metropolitan area.

Missouri’s Constitution prohibits special laws where a general law can be made applicable. If the classification is functionally single-city legislation, it is vulnerable to special-law challenge.

**2. Federal Contract Preference / Equal Protection Concerns**

Subsection 6 provides a broad construction exemption for projects tied to a federal defense nuclear facility.

While states may incentivize economic development, preferential tax treatment tied to a narrowly defined federal defense installation could invite:

Equal protection scrutiny (rational basis review applies, but the classification must still be legitimate and non-arbitrary)

Claims of economic favoritism

**3. Supremacy Clause / Federal Property Interference**

Subsection 7 exempts property improvements conveyed to the United States or other governmental entities and declares that it:

“shall supersede and invalidate any statute, rule, code, or other provision of state or local law inconsistent with this subsection.”

The General Assembly may preempt local law, but broad invalidation language risks:

- Conflict with home rule authority
- Litigation over scope of preemption
- Ambiguity in local tax administration

#### **4. Local Fiscal Impact / Uniformity Concerns**

**The bill repeatedly exempts transactions from both state and local sales tax.**

**This directly reduces local tax bases without local voter approval. While the legislature has authority over sales tax structure, repeated carve-outs raise:**

**Uniformity concerns under Mo. Const. Art. X**

**Fiscal impairment to local governments**

**Future legislatures should vote no**