

2021 LEGISLATIVE AGENDA



MISSOURI CHAMBER
OF COMMERCE AND INDUSTRY

2021
LEGISLATIVE AGENDA

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CIVIL JUSTICE

2021 Recommended Legislative Policies

Address COVID-19 liability concerns:

As health care providers, schools and businesses continue to adjust their operations in light of COVID-19, the Missouri Chamber supports safe harbors from litigation for entities who follow government health guidance. Businesses and other entities who follow CDC and other guidance about safely operating should not face opportunistic lawsuits. Health care providers should not face liability related to care provided during the pandemic, as they have taken on a significant burden to care for patients with COVID-19 and those with other health conditions whose treatment has been impacted by the pandemic. Manufacturers of personal protective equipment should not face products liability claims when they provided the necessary supplies for front-line workers to care for sick patients. In all of these instances, safe harbors from liability should only be available to entities that act in a reasonable way and follow government health guidance. Businesses need certainty to re-open and re-engage our economy safely, and expensive lawsuits will only hinder that progress.

Increase transparency in asbestos litigation by requiring trust claim disclosure:

Asbestos litigation has caused hundreds of businesses to declare bankruptcy, with over 60 of those establishing trusts to compensate future claimants. The businesses currently being sued in asbestos litigation are increasingly peripheral defendants, who are being sued for exposures claimants also allege were caused by the bankrupt companies. The Missouri Chamber supports legislation that would require the disclosure of asbestos bankruptcy claims before trial. This would increase transparency and curtail fraudulent claims, allow businesses to fairly litigate all relevant exposures and ensure there will be compensation for future claimants by appropriately apportioning fault.

Curtail litigation lending:

Leveraging civil judgments as a means of financing lawsuits is damaging to Missouri's businesses, consumers and the civil justice system. Litigation lending companies prey on Missouri's most vulnerable citizens by promising immediate money in exchange for an interest in any future recovery. This practice inevitably increases the duration and expense of lawsuits, and often leaves plaintiffs in worse financial shape than when they started. Litigation lending activities are not well regulated in Missouri. The Missouri Chamber supports legislation that would provide some level of consumer protection to this type of lending practice in Missouri.



Establish Statute of Repose:

Businesses that put products into the stream of commerce are required to comply with contemporary regulations. Those firms should not be exposed to liability because subsequent regulatory changes implicate previously designed and produced products. The Missouri Chamber supports a reasonable statute of repose that will bar claims against manufacturers for compliant products put into commerce that are the subject of later regulatory changes.

Update Statute of Limitations in certain civil cases:

Missouri should evaluate whether its statute of limitations in certain civil cases, including personal injury claims, best serves all parties in potential cases. Missouri's lengthy statute of limitations increases uncertainty for all parties and a shorter time period would promote prompt resolution to potential disputes.

Ensure the selection of Missouri judges is open and fair:

The Missouri Chamber supports common sense reforms for the selection of judges to Missouri's circuit and appellate courts that emphasize impartiality, fairness and equitable justice for all Missourians.

Strengthen Missouri's employment arbitration climate:

Missouri's employers enter into arbitration agreements with employees to avoid costly litigation and resolve controversies rapidly. With skyrocketing court costs and a court system increasingly unfriendly to business, the employer community seeks an alternative and reliable dispute resolution structure. The Missouri Chamber supports proposals aimed at clarifying and strengthening Missouri's arbitration statute.

Eliminate joint and several liability:

Current law provides that joint and several liability is applied if a defendant is fifty-one percent or more at fault. In such circumstances the defendant is jointly and severally liable for the entire amount of the damages recoverable by the plaintiff. If a defendant is found to be less than fifty-one percent at fault, the defendant is only responsible for the percent of the damages that corresponds with that defendant's percentage of fault.

The Missouri Chamber advocates for the elimination of the current joint and several liability system in favor

of a fair-share system of liability in which every defendant is liable only for the amount of harm the defendant caused. Percentage of fault should be the basis for this system, considering the fault of all responsible persons, whether or not they are parties to the lawsuit.

Clarify collateral source rule:

Reforms to the collateral source rule have been passed into law, aimed at giving juries the full scope of information when determining an award for damages. Missouri law should be clarified to ensure the actual cost of care is provided, helping juries make accurate decisions regarding awards for damages.

Protect Missouri law from overreach from outside the state:

The American Law Institute's Restatement of the Law, Liability Insurance, can provide Missouri practitioners guidance in addressing issues in that area of law. However, Missouri courts should look to statutes and existing case law as the primary source in writing their decisions. Principles in The Restatement of Law should only be relied on if those same principles are found in statutes or existing precedent.

Ensure fairness and transparency in arbitration awards:

For arbitration awards to be binding and enforceable, all parties, including liability insurers, should have the opportunity to agree in writing to the arbitration proceeding.

Protect innovators from liability unfairly imposed on them for the actions of others:

Manufacturers producing brand-name prescription drugs should not be held liable for the actions of generic product manufacturers. Responsibility for defects in the products made by generic manufacturers should rest with those manufacturers, as they made the product having a connection to the alleged harm. Novel tort theories like this would stifle innovation, negatively affecting consumers and businesses in many sectors of Missouri's economy.

Provide scheduling and filing deadline certainty:

Missouri businesses face uncertainty with respect to court scheduling and filing deadlines. Because there is no firm scheduling order, cases are allowed to meander for significant amounts of time, thereby increasing litigation and settlement costs. The Missouri Chamber supports the development of predictable and reasonable standards that rein in the cost of doing business in Missouri and promote fairness for all Missourians. ■

ECONOMIC DEVELOPMENT

2021 Recommended Legislative Policies



Encourage entrepreneurial and small-business development:

The Missouri Chamber supports the opportunity for small businesses and entrepreneurs to develop and grow their businesses. We support programs aimed at increasing access to various types of early-stage capital, improving technological advancements and protecting businesses from the impact of burdensome regulations. We also support funding for the Missouri Technology Corporation.

Spur corporate growth and attraction:

The Missouri Chamber supports improving the corporate environment and removing potential barriers facing expanding new businesses in Missouri. Fully funding programs such as Missouri One Start, Deal Closing fund, Missouri Partnership and incentives aimed at research and development will allow Missouri to attract and grow businesses across the state.

Utilize expanded broadband deployment to support economic development statewide:

Broadband providers continue to invest and expand access to high-speed internet in Missouri's urban and high cost, uneconomic and unserved rural areas. State and local government barriers continually need to be eliminated to help facilitate broadband deployment and adoption. Through state and federal grants, the private sector can work with government entities to improve broadband access, igniting economic and workforce development throughout the state.

Promote tourism programs and protect tourism funding:

Promotion of Missouri as a tourism destination should continue to be a priority for this state, as it is an important economic development driver. The Missouri Chamber will promote, protect and advocate for preservation of funding to enhance Missouri's travel and tourism industry.

Promote rural development:

Businesses and entrepreneurs in Missouri's rural and distressed communities continue to find it difficult to obtain the capital they need to expand and grow. The Missouri Chamber supports initiatives to bring capital to rural areas and the state's Opportunity Zones alike. Legislation we support should drive investment in businesses in rural Missouri and Opportunity Zones through targeted tax credits that prioritize the creation and retention of quality jobs, transparency, accountability and evaluation standards. High caliber job creation should also encourage economic upward mobility by providing incentives for workforce development and on-the-job training.

Focus on economic recovery:

During and after the COVID-19 pandemic, economic security is very important. The Missouri Chamber released a Uniting for Recovery Agenda that lays out steps that can be taken to help businesses through these times. The Missouri Chamber will advocate for these measures related to economic development including creating flexibility within tax incentive programs and modifying claw-back provisions and others. ■

EDUCATION AND WORKFORCE DEVELOPMENT

2021 Recommended Legislative Policies



Adequately fund all levels of education:

We believe that well-educated, competent and capable students are the key to Missouri's long-term economic health and competitiveness. The Missouri Chamber supports efforts to provide every Missouri child with access to a top-notch education. We support efforts to adequately fund all levels of education, Pre-K through 12 and post-secondary.

Support a comprehensive workforce development approach:

Workforce shortages and skills gaps limit businesses' growth. The Missouri Chamber supports a broad-spectrum approach to upskilling and right-skilling our state's workforce. This includes adequately funding our existing workforce development programs, like Fast Track and Missouri One Start job training, and advocating for new policies that are responsive and flexible to businesses' needs for skilled workers today while anticipating employment needs of the future. We support expansion of on-the-job training opportunities, like internships, externships and apprenticeships.

Maximize business engagement:

The Missouri Chamber supports engaging businesses in the process of educating and training Missouri's students. We support initiatives to incentivize programs that partner schools and businesses together to produce learning experiences that educate the workforce of tomorrow, especially in high-demand jobs. We support policies that help streamline the process for experienced professionals and business leaders to obtain certification for teaching.

Support adequate infrastructure funding:

The Missouri Chamber recognizes that an aging and failing infrastructure in schools and higher education institutions is detrimental to the process of successfully educating Missouri's students. The Missouri Chamber supports efforts to provide adequate funding for education infrastructure

maintenance and improvements. We support initiatives aimed at updating and modernizing Missouri's educational institutions both structurally and within the classroom and workforce training facilities. We also support efforts to improve connectivity and broadband adoption throughout the state to enhance remote learning capabilities.

Support broad-based public education reform:

The Missouri Chamber believes that market forces and individual merit will produce better educational results. We support broad-based education reform efforts including eliminating the state imposed teacher tenure system, instituting merit-based pay for teachers, better aligning curriculum with workforce needs and improving school choice options for all Missouri students. ■

ENERGY AND ENVIRONMENT

2021 Recommended Legislative Policies



Ensure Missouri has reliable, resilient and affordably priced energy and water:

The Missouri Chamber recognizes the advantage of reliable, resilient and affordable natural gas, propane, electricity and water in retaining and attracting business to our state. The Missouri Chamber supports efforts to address Missouri's aging infrastructure while ensuring natural gas, propane, electricity and water remain reliable at predictable and affordable rates for consumers. We also support grid modernization efforts that drive greater resiliency, rate affordability and economic development opportunities. The Missouri Chamber embraces an all-of-the-above approach to electricity generation, including coal, natural gas, nuclear and renewable sources.

Promote a balanced and modernized approach to regulation:

The Missouri Chamber supports a balanced and reasonable approach to environmental and energy regulation or policies that does not stifle innovation and economic growth nor add unnecessary and burdensome costs to Missouri's businesses. The Missouri Chamber opposes environmental regulations and policies for air, water and waste that unduly raise costs for businesses or jeopardize creation, retention, or growth of Missouri jobs. In addition, the Missouri Chamber supports a modernized approach to the regulatory system that is more interactive, collaborative and cost-effective.

Support Interstate pipeline projects:

The Missouri Chamber supports approval and implementation of Interstate pipeline projects that will create and support thousands of construction and manufacturing jobs in the U.S. and Missouri. Interstate pipelines help make oil and natural gas pricing more affordable for Missourians by increasing the availability of these American resources in the energy market. We also believe implementation of these projects will aid in U.S. energy security and independence by shifting U.S. sourcing of oil to conflict-free and stable economic zones.

Implement responsible water quality standards and support Missouri-based solutions:

The Missouri Chamber supports responsible implementation of the Clean Water Act and the Safe Drinking Water Act without creating financial hardships for Missouri businesses. We oppose unilateral actions by the EPA and support efforts that enable the Missouri Department of Natural Resources to create workable state plans that ensure all Missourians have access to safe, reliable and affordable water and wastewater service

Utilize reasonable renewable energy standards:

The Missouri Chamber believes renewable energy standards should be reasonable to ensure our grid is reliable, resilient and flexible with predictable and affordable rates for businesses. We believe all forms of renewable energy, including biomass, hydropower, geothermal, wind, solar and any emerging technologies should be applicable to meeting the standards. Reasonable renewable standards encourage flexibility and innovation in the energy sector, which ultimately leads to a more resilient grid and affordable rates for Missourians.

Protect Missouri's environment by supporting state regulation of coal combustion residuals (CCRs):

Missouri's energy providers safely store CCRs in our state. The Missouri Chamber supports a state-specific approach to CCR regulation instead of a federal approach. Missouri regulators have the experience and knowledge to regulate the closure of ash ponds located within the state and to provide appropriate protection for our state's environment.

Support reasonable and consistent taxation of utilities:

The Missouri Chamber supports state and local utility tax policy that is fair, consistent and equitable for all utility consumers and jurisdictions. ■

HEALTH CARE

2021 Recommended Legislative Policies



Support reauthorization of FRA:

The Missouri Chamber supports the reauthorization of Missouri's Federal Reimbursement Allowance (FRA). This important public/private partnership serves as one of the top sources of revenue for the state, allowing Missouri to receive billions in matching federal funds and freeing up general revenue to be spent on other important state priorities. Without its reauthorization, Missouri will face an insurmountable budget hole that would devastate the State's financial outlook, severely impact the delivery of quality health care and slow any economic development. The Missouri Chamber recognizes the need for the state to leverage state and federal investment to maximize the quality of health care, improve the health of populations and reduce the per capita costs of health care for the benefit of citizens, employers and sponsored populations.

Create a prescription drug monitoring program:

To reduce costs associated with prescription drug abuse and diversion, the Missouri Chamber supports the creation of a robust prescription drug monitoring program. Missouri is the only state in the nation that has not passed this type of legislation. A monitoring program would help reduce prescription drug abuse and help to control Missouri businesses' related health care costs.

Improve access to quality health care for all Missourians:

The state's poorer-than-average health coupled with a worsening health care workforce shortage is negatively impacting access to health care for many Missourians, especially those in rural communities. The Missouri Chamber supports an all-of-the-above approach to improve access to quality care, including policies to build and maintain a health care workforce that can meet the demands of today and tomorrow, utilization of telehealth and other innovative solutions to address this serious problem. The Missouri Chamber recognizes the anticipated job creation and economic growth by expanding Medicaid eligibility in the state. The Missouri

Chamber supports implementation of Medicaid expansion according to the constitutional framework adopted by voters.

Ensure our health care system is prepared for times of crisis:

We support a comprehensive approach to ensuring our health care system and infrastructure are nimble and adequately prepared to meet the state's health care needs in times of crisis, including long-term policies to plan for large-scale emergencies and short-term policies that address urgent needs.

Limit government-mandated health insurance benefits:

New health insurance benefit mandates increase the cost of health care for businesses. The Missouri Chamber opposes new governmental mandates on health insurance benefits and supports periodic review of existing mandates to determine ongoing necessity.

Embrace innovation and meaningful transparency initiatives:

The Missouri Chamber supports innovation in health care delivery that will improve outcomes and lower costs. We support meaningful transparency in pricing and quality of health care services and insurance products so businesses and individual consumers can make informed decisions. ■

LABOR AND INDUSTRIAL RELATIONS

2021 Recommended Legislative Policies



Reduce government burdens so businesses can fuel our economic recovery:

The Missouri Chamber supports providing additional leeway when it comes to current restrictions on hours and overtime to ensure our regulations aren't standing in the way of a full recovery. Further, the state should show leniency as businesses seek to return to pre-COVID-19 levels of economic activity, by waiving or delaying licensing and permitting fees as well as extending deadlines for professional licensing.

Protect and strengthen workers' compensation reforms:

The workers' compensation system serves as a mechanism to ensure employees are fairly and quickly compensated for workplace injuries. The Missouri Chamber supports reforms to the system to help reduce workers' compensation insurance rates. These reforms should include proper validation of all claims and fairness in the system, clarifying the law where it has been subjected to inconsistent judicial decisions.

Reform the worker's compensation administrative law judge selection process:

Too often, Missouri employers feel the scales of justice are tipped against them in a workers' compensation administrative hearing. The Missouri Chamber supports legislative efforts to inject fairness and accountability into the selection and retention of workers' compensation ALJ's.

Pass unemployment insurance reforms:

Missouri's fiscally unstable unemployment compensation system has been a hindrance to economic growth. During the Great Recession, Missouri took on substantial debt from the federal government to fund the system. Employers were forced to pay expensive penalties to repay the federal government.

As Missouri continues to navigate unemployment

compensation through the COVID-19 pandemic, the state should prevent undue financial stress on employers by ensuring they are not charged for Covid-19 related unemployment claims. Businesses impacted by reduced revenues should not bear the burden to restore the unemployment trust fund depleted by the unforeseen pandemic.

Protect employers from unfair and harmful workplace rules and mandates:

The Missouri Chamber will work to reduce or eliminate unfair workplace rules and mandates that burden or limit an employer's ability to attract and retain jobs. The Missouri Chamber will protect against federal and state workplace rules and mandates such as exposing employers to new liabilities based on how they classify their employees, expanding or adding new classes to FMLA that do not exist in federal law, raising the minimum wage and placing additional regulations upon an employer during the hiring process.

Further, the Missouri Chamber supports state preemption legislation to prohibit local governments from enacting their own labor standards. Uniform state standards for employment law will bring clarity to businesses that must navigate multiple layers of government regulation every day.

Provide state-level safeguards for joint employers:

The Missouri Chamber supports legislation to protect franchisors from unwarranted lawsuits claiming the franchisor is a "joint employer" with its franchisees. Further, the Missouri Chamber supports legislation to clarify the employment relationship between a franchisor and franchisee in state-level disputes should only apply where the franchisor exercises direct and immediate control.

Strengthen employers' intellectual property rights:

Cybersecurity is of paramount importance in the information age, creating new challenges for employers throughout the world. In an effort to stay ahead of the curve, the Missouri Chamber

supports efforts to strengthen civil penalties against employees who illegally obtain and disclose an employer's proprietary information.

Bring clarity to independent contractor agreements:

Businesses face an increasing amount of rules and regulations from all levels of government. Often, there are several layers of red tape surrounding how businesses hire, compensate and work with employers and independent contractors. To eliminate confusion in this area, the Missouri Chamber supports implementing flexible yet objective standards to determine independent contractor status. All state agencies should use the same information in classifying independent contractors, providing businesses with greater clarity.

Implement right-to-work:

The Missouri Chamber continues to support right-to-work because employees should not be compelled to join a labor union or pay labor union dues as a condition of employment. Right-to-work remains a long-term priority for the Missouri Chamber.

Implement paycheck protection:

Employees should not be forced to forfeit a portion of their paychecks for political causes they may not support. The Missouri Chamber supports paycheck protection legislation that would require labor unions to give employees an opportunity each year to opt out of contributing a portion of their wages to union political activities.

Reform Missouri's prevailing wage law:

Prevailing wage laws add unnecessary costs to taxpayer-funded construction projects. Employers who do not comply with prevailing wage laws can be prosecuted and heavily fined. Positive reforms to the system have been made, and going forward, the Missouri Chamber will work to amend the law to ensure that prevailing wage is not required for maintenance work. ■

TAXATION AND FISCAL POLICY

2021 Recommended Legislative Policies

Adopt a responsible framework for collection of sales tax from out-of-state sellers in response to the *Wayfair* decision:

Missouri should adopt a law to require the collection of sales tax for online and other transactions involving out-of-state sellers without a physical presence, taking into account the U.S. Supreme Court's guidance in the *Wayfair* decision, while maintaining current sales and use tax exemptions the state has historically permitted.

The Missouri Chamber recommends legislation that would require all remote sellers meeting specific criteria to collect and remit vendor's use tax on sales of tangible personal property in Missouri. In an effort to minimize the administrative burden on both the sellers and the Missouri Department of Revenue, the Missouri Chamber recommends that remote sellers register, collect and remit vendor's use tax only if they meet or exceed a threshold of \$500,000 or more in sales of tangible personal property from outside Missouri to a destination within Missouri. In addition, the Missouri Chamber does not support having any secondary sales threshold defined in terms of the number of items sold or the number of transactions, as some states have mandated. The Missouri Chamber also does not support any retroactive "look-back" provisions for the collection of taxes under this new legislation.

Finally, Missouri should consider the responsible application and use of additional revenues resulting from sales tax collections from online and other transactions involving out-of-state sellers without a physical presence.

Phase in full deduction for the federal income tax:

In 1993, Missouri taxpayers suffered the largest tax increase in Missouri history. This legislative change forced Missouri corporations and many small-business owners to pay state income taxes on part of the federal income tax dollars they had already paid. This tax policy is particularly burdensome because businesses are required to pay an income tax on an income tax. The double tax occurs because businesses are prohibited from making use of the portion of money they pay to the federal government in taxes, yet they must pay tax on the



same money again at the state level. Current law only permits C corporations to deduct one-half of the tax paid to the Internal Revenue Service (IRS). Those businesses choosing to be taxed as a pass-through entity are even more limited on their deduction for taxes paid to the IRS. The Missouri Chamber supports legislation to phase in the full deductibility of the federal income tax.

Reform tax policy:

The Missouri Chamber supports efforts in the General Assembly to enact meaningful, comprehensive reform in Missouri's tax system. The Missouri Chamber strongly believes that any tax reform, whether in the realm of corporate/individual income taxes, real/personal property taxes or sales/use taxes, should achieve the following objectives:

- **Provide revenue neutrality:** Tax reform should not be used, directly or indirectly, to increase state tax revenues, whether in short-term or long-range projections.
- **Eliminate/avoid double taxation:** Double taxation occurs when the same economic activity is used as a measure for more than one taxable event. Any revision to the tax code should avoid even the risk of double taxation.
- **Minimize shifting the ultimate tax burden:** Tax reform can shift the economic burden from one group of taxpayers to another. Any proposed tax reform should avoid economic burden shifts among groups of taxpayers to the greatest extent possible. When economic burden shifts cannot be avoided to achieve other goals, such as equity or neutrality, they should be made gradually over an extended period of time.
- **Provide horizontal equity:** Horizontal equalization is the practice of treating taxpayers of similar incomes but differing circumstances in a similar way by making modest alterations to the tax code to account for such disparities. Horizontal equity assists economic growth by minimizing the impact of the tax code on business decisions, thereby promoting a free marketplace. Horizontal equity should be considered with regard to any tax reform proposal.
- **Provide administrative simplicity:** Administrative complexity causes economic losses because businesses are required to spend additional resources just to comply with the tax code. Administrative complexity also reduces the efficiency of a tax system by making the state spend additional resources to process the more complicated tax returns and reduces the state's revenue collections because taxpayers are unable to fully comply with the increased administrative burdens. Reform should always have the objective of moving toward a tax code that caters to administrative simplicity in order to avoid economic loss and increase the tax system's efficiency.
- **Provide a broad base:** A broad tax base encourages economic growth by minimizing the tax burden on any one specific group of taxpayers and lowering the tax burdens of all taxpayers by spreading the tax burden among more taxpayers. Each tax reform measure should have the goal of moving toward the broadest possible tax base.
- **Eliminate multiple fees and surcharges:** Missouri's businesses are faced with many state and local fees and surcharges, including access fees, license fees, business license taxes, unemployment insurance fees and surcharges and workers' compensation fees. Missouri has a duty to reduce the number and dollar amount of these fees and surcharges in addition to its duty to minimize the overall tax burden imposed on its residents. A burdensomely high effective state tax rate can negatively impact the state's economy.

(continued)

Expand state sales tax exemptions:

Missouri's sales tax exemptions provide Missouri's taxpayers with economic incentives to attract business to Missouri and to promote economic development. In addition, many of Missouri's sales tax exemptions enhance Missouri's social and environmental objectives. The Missouri Chamber is in favor of all sales tax exemptions that promote economic development activity and create jobs in Missouri. The Missouri Chamber opposes removing or imposing limitations on any sales tax exemptions if doing so could hinder Missouri's economic development initiatives.

Prohibit corporate tax information disclosures:

Taxpayers have an expectation of confidentiality and a right to privacy. Missouri's tax system is based on voluntary compliance. Corporations furnish and are required by law to provide extensive information under penalties of fine or imprisonment. Studies have shown that the degree of compliance with tax laws is impacted directly by the degree of confidentiality of information that taxpayers are required to provide to the Department of Revenue (DOR) and the IRS. If the DOR were permitted to make public such returns and/or return information, it would invite a variety of intrusions into the taxpayers' privacy. Business competitors of a taxpayer could use this information to gain economic advantages over the unfortunate taxpayer. A lack of confidentiality could also facilitate the use of one taxpayer's return information for the political or other gain of its competitors. Because of the serious nature of the problems caused by such "transparency," the Missouri Chamber opposes public disclosure of all otherwise proprietary and tax information for any and all taxpayers.

Maintain appropriate state tax add-back list:

The DOR has historically proposed promulgating rules that relate to the requirement of state tax add-backs that are in violation of existing Missouri law. The proposed rules have exceeded the current statutory provisions by limiting the current legal



definition of “income tax” and by expanding the list of state taxes that must be added back to Missouri taxable income. The Missouri Chamber strongly opposes any proposed or amended rule change or any administrative action by the DOR that would expand the legally permissible types of other states’ taxes that must be added back to Missouri taxable income.

Adjust property taxes:

Current law allows for a reduction or elimination of property taxes for damaged or destroyed residential property due to a natural disaster. However, this benefit does not apply to commercial, agricultural or business personal property, leaving business owners with an unfair tax burden. The Missouri Chamber supports expanding the natural disaster property tax adjustment to apply to commercial, agricultural and business personal property damaged or destroyed by a natural disaster.

Equalize local tax treatment:

Currently, the Missouri state tax code mirrors the federal tax code in the treatment of statutes of limitation and penalties assessed. However, local jurisdictions impose their own rules, creating complicated and confusing tax policies that treat taxpayers in similar situations differently across local jurisdictions. The Missouri Chamber supports equalizing the treatment of statutes of limitation and penalties among local, state and federal tax policies, utilizing common guidelines for all taxes and fees.

Allow single remittance of local taxes and fees:

Every year, businesses – both large and small – make thousands of payments to state and local jurisdictions in order to comply with regulations. These payments drive up the cost of doing business in Missouri. Compliance costs reduce the resources of private businesses and can be considered a waste of economic resources. The Missouri Chamber supports the implementation of a voluntary program to allow businesses to submit a single remittance each month to one entity in order to eliminate the compliance costs.

Provide tax incentives for S corporation formation of employee stock ownership plans:

Employee stock ownership plans (ESOPs) give employees partial ownership in a business over time. Many smaller businesses that are heavily invested in their companies utilize this option, motivating their employees to stay with the company and keep it going years after the startup phase or after the owner’s retirement. Currently, S corporations do not qualify to receive the tax benefits allowed for C corporations. The Missouri Chamber supports the formation of ESOPs and allowing individual shareholders to exclude dividends and capital gains from their taxable incomes.

Provide flexibility and relief during COVID-19 pandemic and recovery

Earlier this year the Missouri Chamber released a “*Uniting for Recovery*” agenda that included several tax-related items that provide relief and flexibility to businesses affected by the pandemic. The Missouri Chamber will be advocating for all of these measures found within the recovery agenda. ■

TECHNOLOGY

2021 Recommended Legislative Policies



Position Missouri as a tech hub:

Missouri is well positioned as a current top state for tech growth. The Missouri Chamber supports efforts to build upon our success and competitive edge to drive even more economic growth in this sector. We also support policies and initiatives to make Missouri a major player in emerging tech fields, such as advanced manufacturing, agtech and fintech.

Oppose patchwork privacy standards:

Conflicting data privacy standards across the nation create a patchwork of laws that is costly and stifles innovation. The Missouri Chamber supports a national data privacy standard that protects individual privacy and transparency while ensuring businesses can continue to innovate and flourish.

Support industry-led cybersecurity initiatives:

Cybersecurity threats increase costs to businesses and exploit the connectivity of critical infrastructure that is needed in our modern economy. We recognize that proactive, comprehensive cybersecurity practices are needed in both the private and public sectors. The Missouri Chamber opposes onerous and prescriptive cybersecurity standards that make attacks more difficult for businesses to prevent and mitigate in a rapidly-changing environment. We support industry-driven initiatives that are more adaptable and effective in protecting businesses and critical infrastructure from cybersecurity threats.

Support investment opportunities:

In order to maintain tech sector growth, Missouri should increase funding opportunities for tech-related businesses and innovation. The Missouri Chamber supports a wide array of policies and efforts to drive investment, including restoring funding for the Missouri Technology Corporation (MTC) and establishment of other programs that spur funding opportunities for research/development, startups and business expansion in Missouri.

Increase access to broadband:

At least 600,000 Missourians do not have access to high-speed internet in their homes. Broadband access is vital for Missouri's economic growth. The Missouri Chamber supports efforts to fund the expansion and acceleration of broadband deployment and adoption, as well as enhanced connectivity capabilities. State and local government barriers should be eliminated to help facilitate broadband deployment.

Bolster Missouri's STEM workforce:

Careers in science, technology, engineering and math (STEM) are a driving force in Missouri's economy. Unfortunately, businesses struggle to fill open jobs in these fields. The Missouri Chamber supports an all-of-the-above approach to raising awareness of STEM careers and making education and training opportunities, including apprenticeships, readily available across the state. We also support policies and programs that help promote greater diversity in the STEM workforce. Business models commonly used by companies in the tech sector and gig economy should be embraced to ensure Missouri remains an affordable state to do business where workforce demands can be met.

Increase access to training in computer programming:

Computer programming is a vital skill to have in our modern economy for individuals of all ages and across all sectors of business. The Missouri Chamber supports efforts to increase access to training in computer programming.

Modernize public sector IT systems:

As Missouri's public sector relies more than ever on information technology (IT) systems in its daily operations, modernization is needed to realize greater efficiencies. The Missouri Chamber supports efforts to modernize the state's IT procurement processes as well as policies that provide state decision makers greater flexibility in obtaining cost-effective and sophisticated IT systems. We also support efforts to recruit and retain a robust tech-focused workforce within state government who can manage procurement and oversight of the various complex IT systems used by state agencies.

Support smart infrastructure projects:

Missouri's businesses and residents rely upon natural gas, electricity and water in a modern economy. These vital services can be made more reliable, safe and affordable through the integration of technology within our critical infrastructure systems. The Missouri Chamber supports efforts to integrate technology within these systems to ensure reliable service for businesses and residents and greater safety for communities in the event of a natural disaster. ■

TRANSPORTATION

2021 Recommended Legislative Policies



Support the future of transportation in Missouri:

In October of 2020 the Missouri Chamber of Commerce and Industry released a detailed and exciting report titled *Transportation2030: Making Missouri a Leading Logistics Hub*.

Transportation2030 will be the focus of the Missouri Chamber's advocacy efforts, with a goal of implementing the 22 recommendations that can be found on pages 36-39 of the report, available at mochamber.com/transportation2030.

Once implemented, these recommendations will help propel Missouri transportation forward into the future, increasing competitiveness, access to national and international markets and increasing our workforce supply and competitiveness to make Missouri a national leader.

Support primary seat belt law:

In addition to the recommendations made in Transportation 2030, the Missouri Chamber supports legislation that would change Missouri's secondary seat belt law to a primary seat belt law. This would allow law enforcement officers to stop drivers for failing to wear their seat belts. Currently, a driver may only be ticketed for failing to wear a seat belt if stopped for another traffic violation. ■



Federation Priorities

The Missouri Chamber Federation is a partnership created to unify local and state chamber advocacy efforts in the state Capitol. The federation is a network of Missouri's strongest chambers of commerce providing grassroots support on issues that align with local priorities. Below are the federation's legislative priorities for 2021.

1. **Require the collection of sales tax for online transactions:** This should include transactions involving out-of-state-vendors without a physical presence. Lawmakers should not pass a tax cut offset. Missouri needs to understand how much revenue is collected before we decide what to do with it.
2. **Support efforts to expand, fund and incentivize alternative career training pathways:** This should include apprenticeships, internships, externships and other on-the-job training programs.
3. **Increase funding for higher education:** Well-educated, competent and capable students are the key to Missouri's long-term economic health and competitiveness. Therefore, we oppose cuts to higher education and support increasing funding levels to postsecondary institutions, including community colleges and universities.
4. **Maintain and grow our workforce:** To do this Missouri must take steps to retain our existing talent, including incentives for workers in high-demand fields such as technology.
5. **Continue investing in workforce development programs:** Fully funding the programs that help individuals get the skills they need for careers in high demand fields, while adding to the pool of talent businesses can rely on to fill open jobs, is vital to strengthening our workforce. A stable funding framework should be applied to programs that do exactly that, like Fast Track and Missouri One Start customized training.
6. **Support sustainable and increased funding for a comprehensive transportation system:** Continued investment in our system is critical, and we should explore bonding solutions as well as increases to the gas tax, potentially including a sunset, which has worked in local communities across the state.
7. **Create a statewide prescription drug-monitoring program:** A PDMP would reduce drug abuse and diversion and help drive down costs associated with prescription drug abuse for employers. Missouri remains the only state in the nation that has not passed this type of legislation.
8. **Protect businesses and schools from expensive COVID-19 related lawsuits:** If they reopen safely, following government guidance, businesses and schools should be protected. The State should provide safe harbors from liability for manufacturers that have produced Personal Protective Equipment and health care workers treating patients during the COVID-19 emergency.
9. **Support accountable, effective local governments:** Local government provides citizens the most direct route to their elected officials. Businesses must have confidence that their elected officials are accountable to them and effective in meeting their needs.
10. **Encourage tourism:** State investment in tourism supports economic growth, job creation and tax revenue. We support increasing funding of tourism promotion and other tourism-related programs, as it would positively impact many communities across the state.
11. **Provide resources to support learning:** We support making resources available for childcare centers and schools to operate safely. If remote learning is pursued, parents should have the resources for internet access and curriculum support. Our state's economic recovery will be aided by the safe return to normalcy for schools.
12. **Support law enforcement and first responders:** Dialogue and action on social issues must continue. Individuals and businesses having those conversations and carrying on their enterprises must be able to do so safely.

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