



2023 LEGISLATIVE AGENDA



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CIVIL JUSTICE

2023 Recommended Legislative Policies

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.

Eliminate joint and several liability:

Current law provides that joint and several liability is applied if a defendant is 51 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 51 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.

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.

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.

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.

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.

Clarify the 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 innovators from unfairly-imposed liability:

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.

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

2023 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 continued funding for the Missouri Technology Corporation.

Encourage corporate growth and attraction:

The Missouri Chamber supports improving the state's business corporate environment and removing potential barriers facing expanding new businesses in Missouri. Fully funding programs such as Missouri One Start, Deal Closing Fund and the Missouri Partnership 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, underserved and unserved 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. •



EDUCATION AND WORKFORCE

2023 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 Missourian 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 also 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.

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

2023 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 distribution and bulk power system grid modernization and expansion 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 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 pipeline utilization:

We strongly support the utilization of existing supply lines and pipelines, as well as construction of new ones, as they are needed for maintaining regular business operations, powering residential homes and protecting the health and safety of Missourians. We oppose any effort to restrict access to pipelines, which are vital energy resources. 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 support adequate funding and equal access to federal grants and low-interest loans for water and wastewater system improvements, including the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund, to help keep rates affordable as systems make necessary investments to replace aging infrastructure and maintain regulatory compliance. 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.

Support reasonable and consistent taxation of utilities:

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

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

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. •



HEALTH CARE

2023 Recommended Legislative Policies

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.

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.

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.

Maximize health care funding:

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. We believe this leveraged funding should be utilized for its specific intended purpose. Fully funding health care programs, like Medicaid and the newly enrolled expansion population, supports the state’s ability to maximize federal funding of our health care programs.

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. •



LABOR AND INDUSTRIAL RELATIONS

2023 Recommended Legislative Policies

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 workers' compensation administrative law judge (ALJ) 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 ALJs.

Pass unemployment insurance reform:

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 paid 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:

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' 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.

Clarify the treatment of arbitration clauses in employment contracts:

The Missouri Chamber supports abrogating the holding in *Baker v. Bristol Care, Inc.*, which overturned years of precedent regarding what constitutes consideration in an arbitration agreement. While at-will employment and continued employment had been considered sufficient consideration to support enforcement of arbitration agreements, the court in *Baker* disagreed and refused to enforce the arbitration agreement for insufficient consideration. For certainty in employment contracts moving forward, the Missouri Chamber supports abrogating *Baker* and returning to a clear standard for sufficient consideration in employment-related agreements.

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.

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LABOR AND INDUSTRIAL RELATIONS

2023 Recommended Legislative Policies

Support workplace marijuana policies:

Recreational marijuana use in Missouri was legalized through the ballot initiative process. To protect the well-being and safety of employees and customers, the Missouri Chamber supports providing employers protections and flexibility, under current or future marijuana laws, to institute their own workplace policies.

Oppose governmental mandates on workplace policies:

The longstanding ability for business owners to establish their own workplace policies is a bedrock of our free enterprise system. The Missouri Chamber opposes government overreach into business decisions and believes the state should let business decide any workplace policy or business practice. •

PUBLIC SAFETY

2023 Recommended Legislative Policies

Public safety affects every Missourian. Crime rates are consistently reported as a top factor for people choosing where to live. It influences where they shop, play and work. Public safety is also a significant business issue. It impacts profitability, risk and access to employees and customers. In the past year, concern about public safety in Missouri has risen among the state's business leaders. The negative national attention stalls economic growth as it hinders the recruitment of talent and business investment.

In a 2021 poll of Missouri CEOs, the Missouri Chamber asked if crime was affecting economic competitiveness. The poll was conducted by CHS and Associates, who reached out to more than 600 CEOs and business leaders from around the state and across industries. The results were overwhelming. The vast majority of business leaders believe crime is hurting our economy, and they want to see change.

Therefore, in June of 2022 the Missouri Chamber released a report centered on public safety, called *Safer Missouri, Stronger Missouri*. This report will be the focus of our public safety advocacy efforts, with a goal of implementing the following recommendations:

Deploy evidence-based and hot spot approaches to crime reduction:

The Missouri Chamber supports policies that give prosecutors and law enforcement officers the tools they need to keep our communities safe. This includes finding approaches to ensure repeat and violent offenders are kept off the streets and deploying more resources to known hot spots for criminal activity.

Increase and protect tools to support policing:

Law enforcement officers need the proper resources to reduce crime. The Missouri Chamber supports policies and funding efforts to provide law enforcement all the tools they need, from databases to new forms of technology, which will help to combat crime.

Address substance misuse and mental health:

Substance misuse and mental health are related to crime in multiple ways. Missouri has already made significant strides in addressing this, and we support continued efforts to divert some cases from law enforcement through mental health and drug rehabilitation programs.

Reduce recidivism:

We support a broad-spectrum approach to reducing recidivism. This includes ensuring parole officer caseloads are workable and barriers to reentry into society for justice-involved individuals are removed.

Improve training and employment opportunities for incarcerated individuals:

Risk of recidivism is lower when individuals have employment opportunities. This is why the Missouri Chamber supports a wide array of policies to help prepare justice-involved individuals for the workforce.

Increase public safety staffing:

Almost every law enforcement agency around the state has a workforce shortage. We support efforts to increase public safety staffing through innovative efforts to recruit and retain our state's vital law enforcement workforce.

Increase prosecutorial consistency and transparency:

Prosecutors are the gatekeepers of the criminal legal system. Inconsistency in how cases are prosecuted, especially drug cases, was cited as a serious problem impacting Missouri's rising crime rates. We support policies to ensure greater consistency and transparency in prosecution across the state. •

TAXATION AND FISCAL POLICY

2023 Recommended Legislative Policies

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.

Reform tax administration:

Taxpayers need stable and predictable rules that promote taxpayer fairness. The Missouri Chamber supports state tax administration reform that will improve transparency and enhance early taxpayer input on policies.

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.

Expand state sales tax exemptions:

Missouri's sales tax exemptions provide Missouri's taxpayers with economic incentives to attract business to Missouri and 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.

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.

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TAXATION AND FISCAL POLICY

2023 Recommended Legislative Policies

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 tax information for any and all taxpayers.

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.

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.

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 incentive 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. •



TECHNOLOGY

2023 Recommended Legislative Policies

Maximize Missouri's position as an emerging tech hub:

Missouri is a top ten state for technology manufacturing, energy tech, diversity in the tech workforce and women in the tech workforce. We support policies and initiatives that create an economic climate where technology and innovation will thrive. This will help to secure Missouri's advantageous position as an emerging tech hub. The Missouri Chamber believes it is important to promote reasonable regulatory frameworks and prevent broad, unnecessary, harmful or hostile policies that ultimately stifle innovation.

Build a long-term talent pipeline:

The growth of Missouri's innovation economy is predicated on the availability of skilled workers for tech occupations. Employers across all industries and in every region of the state need tech workers. We support an all-of-the-above approach to workforce development to be able to fill high-demand tech jobs today and in the future. We also support policies and programs that help promote greater diversity in the tech workforce. Furthermore, we support efforts to raise early awareness in our K-12 education system about career pathways in high-tech industries in which Missouri has a unique competitive advantage, including geospatial intelligence, life sciences, plant sciences and tech manufacturing.

Prioritize cybersecurity:

Cybersecurity attacks are extremely costly and disruptive to businesses, hospitals, utilities, schools and governmental agencies. The state should invest in programs that encourage organizations to prioritize proactive cybersecurity strategies and risk management tools. We oppose onerous and prescriptive cybersecurity standards that make attacks more difficult for businesses to prevent and mitigate in a rapidly-changing environment and support industry-driven initiatives that are more adaptable and effective.

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 adequately funding the Missouri Technology Corporation (MTC) and establishing other programs that spur funding opportunities for research and development, startups and business expansion in Missouri.

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, underserved and unserved 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.

Leverage high-tech manufacturing advantage to bolster national security:

Missouri has a unique opportunity to bolster national security by investing in high-tech manufacturing infrastructure for critical products, like semiconductors and active pharmaceutical ingredients. We support policies and forward-thinking statewide investments that leverage our ranking as a top state for technology manufacturing to help onshore critical supply chains.

Oppose patchwork privacy standards:

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

Increase access to STEM education:

Skills in science, technology, engineering and mathematics (STEM) are vital for individuals of all ages and across all sectors of business in a modern economy. We support efforts to integrate STEM

education in our K-12 education system and maximize real-world learning opportunities for students in businesses in these types of industries. We also support access to robust computer science education and training in computer programming for all ages.

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. We support 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.

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. We support 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/ INFRASTRUCTURE

2023 Recommended Legislative Policies

Educate, advocate and support the future of transportation in Missouri:

In October of 2020, the Missouri Chamber released a report titled *Transportation2030: Making Missouri a Leading Logistics Hub*.

Transportation2030 is the focus of the Missouri Chamber’s advocacy efforts, with a goal of implementing the 22 recommendations that can be found in the report. The recommendations are broken down into the following categories:

- **Provide revenue neutrality:** Includes supporting increased statewide transportation funding and finding new ways to fund transportation such as Regional Taxing Authorities, public private partnerships and encouraging collaboration
- **Highways:** Prioritizing interstate funding, autonomous vehicle policies, and electric vehicle charging stations for cars and semi-trucks

Leveraging state and federal funds to increase the capacity of I-70 between St. Louis and Kansas City
- **Ports and Rivers:** Supporting the Container-on-Vessel initiative and increasing matching funds for federal grants
- **Rail:** Creating a freight rail economic development program
- **Air:** Supporting efforts to increase international air cargo connections and incentives to increase high-value air freight and passenger flights
- **Site Redevelopment:** Developing environmental liability policies to promote redevelopment
- **Infrastructure Workforce:** Generating multiple approaches to workforce supply and quality
- **Recommendations for the Future:** Exploring new technologies such as Hyperloop, reusing and reinvesting in existing assets and fostering a culture of innovation

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

Support primary seat belt law:

In addition to the recommendations made in Transportation2030, 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

2023 Recommended Legislative Policies

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 2023.

- 1. We support a broad-spectrum approach to upskilling and right-skilling our state’s workforce to address labor shortages and help businesses’ growth. 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 to recruit and retain skilled workers today while anticipating employment needs of the future.
- 2. Small businesses are the backbone of our economy. Therefore, Missouri should increase access to funding and other resources for small businesses, start-ups, and entrepreneurs to help them confidently start, grow or expand.
- 3. Child care is a pivotal workforce development issue. Working parents’ re-entry into the workforce can be hindered by child care provider shortages for children of all ages, but especially for those under two years old. Missouri should increase the accessibility and availability of high quality child care for working parents.
- 4. Economic development drives growth, creates new job opportunities and facilitates an improved quality of life. Missouri should embrace an all-of-the-above approach in utilizing and offering innovative economic development tools and tax incentives to help its local communities and businesses thrive.
- 5. Public transportation is both a workforce and economic development tool in our communities statewide. We must adequately fund multi-modal public transit systems so they are more accessible and efficient for residents and visitors alike.

- 6. A safer Missouri is a stronger Missouri. The state should dedicate adequate funding for public safety. This includes funding for the expansion of mental health and substance abuse treatment and prevention programs, public safety staffing enhancement efforts and innovative tools to reduce crime.
- 7. A strong education system is key to Missouri’s long-term economic health and competitiveness. We support efforts to adequately fund all levels of education, from elementary to higher education. Additionally, we should increase funding and accessibility of student scholarship programs, like the A+ program.
- 8. The state has a detrimental reputation for its unfair legal climate. Therefore, Missouri must implement significant reforms to ensure our legal climate is not an impediment to economic competitiveness. We support a wide variety of reforms, including modifying the statute of limitations, to bring more fairness to our court system.
- 9. We support comprehensive efforts to maximize Missouri’s position as an emerging technology hub. By enacting innovative policies, increasing investment and training our workforce for high-tech jobs, our state can grow its global tech and innovation footprint.
- 10. 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. The state has a once-in-a-generation opportunity to make significant investments due to a very positive ongoing budgetary outlook. We encourage Missouri’s leaders to utilize these funding opportunities to make investments that have a transformational impact on communities statewide. Conversely, we oppose efforts to risk vital funding streams needed for our state’s infrastructure.

The state’s economic growth depends on having reliable and modern infrastructure systems, which includes our vast network of roads and bridges.

- 12. We strongly support a system of free enterprise and oppose efforts by the government to intervene in business decisions. The government should let business decide how to run its own workplace(s).

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