



CAPITOL REPORT
DALE WRIGHT
DISTRICT 116
MISSOURI HOUSE OF
REPRESENTATIVES



COMMITTEES

September 23, 2022

*CONSENT & HOUSE PROCEDURES
*CORRECTIONS AND
PUBLIC INSTITUTIONS
*HEALTH & MENTAL HEALTH
*PENSIONS

Dear Friends,

The Missouri House of Representatives Advances Bill to Support Missouri Farmers (HB 3)

Lawmakers returned to the State Capitol building this past week debate legislation that will give support and promote key areas of Missouri's important agriculture industry. House members approved **HB 3** as part of the special legislative session called by Governor Mike Parson.

Governor Parson called the special session after vetoing **HB 1720**, which created and renewed a number of agriculture incentives that would sunset after two years. The Governor asked us to return to Jefferson City to approve a version of the bill that would give the agriculture programs a six-year sunset.

The bill was approved this past week by the House and extends and creates several agriculture tax credit programs. The sunset for each program would be for a minimum of six years. If the Senate also approves the bill and it is signed into law by the governor, the bill would:

- Extend the expiration of the meat processing facility investment tax credit;
- Create a tax credit program for retail dealers of higher ethanol blend fuels;
- Create a tax credit program for retail dealers of biodiesel;
- Create a tax credit program for Missouri biodiesel producers;
- Create a tax credit program for establishing or improving urban farming operations;
- Extend the expiration of the Rolling Stock Tax Credit program;
- Extend the expiration of the Agricultural Product Utilization Contributor Tax Credit;
- Extend the expiration of the New Generation Cooperative Incentive Tax Credit;
- Exempt utility vehicles for agriculture use from state and local sales and use taxes;
- Create the Specialty Agricultural Crops Act; and
- Amend the Family Farms Act to modify the definition of small farmer.

The bill is tailored towards family farms and smaller businesses. Agriculture is a self-sufficient industry but could use assistance now because of rising interest rates, greatly increased input costs, and drought conditions in some parts of the state. Based upon current trends, things are looking like they did in the late 70s and early 80s in what was considered the worst economic crisis since the Great Depression for agriculture.

The bill approved by the House contains all of the provisions called for by Governor Parson. The House did add an additional four provisions that technically fall outside the governor's call. The

four provisions pertain to land surveys, commercial log trucking, anhydrous ammonia, and a state soybean producers assessment. Members of the House believe the governor will expand the special session's call to allow the four additional provisions.

The bill has a price tag of \$40 million for the agriculture industry that generates \$94 billion in Missouri economic activity. Agriculture is the state's top revenue producer and represents one out of every 10 jobs in Missouri.

The bill gives small businesses and small farms an opportunity to compete in the arena with the big farms and the big businesses.

(HB 3) now moves to the Senate for consideration. The Senate sent identical legislation (**SB 8**) to the House this past week. The two chambers will work on the bills next week with the intent of sending one or both of them to the governor to be signed into law.

The Missouri Senate Sends Tax Cut Plan to House (SB 3**)**

The members of the Missouri Senate also met this past week to work on a tax cut plan that will allow Missourians to keep more of their dollars. The tax cut was called for by Governor Mike Parson, who asked legislators to help Missourians.

Governor Parson asked legislators to reduce the individual income tax rate, increase the standard deduction, and to simplify the tax code. His proposal would reduce the top individual income tax rate from 5.3 to 4.8 percent. **(SB 3)** would also increase the standard deduction for individuals by \$2,000 and by \$4,000 for married joint filers, and it will eliminate the bottom income tax bracket.

The plan approved by the Senate would reduce the state's top tax rate to 4.95 percent. It would also add four future reductions that would be triggered by revenue growth. If fully implemented, the Senate plan would make the top tax rate 4.5 percent. The Senate bill does not increase the standard deduction as requested by Governor Parson in his special session call.

The bill now moves to the Missouri House where members will pass the bill in its current form or make changes that will require further negotiations with the Senate. The House will take the bill up this next week.

Veto Session Concludes

While we legislators were back in Jefferson City to convene for the special session, we also wrapped up work on our annual veto session. Veto sessions give lawmakers the opportunity to consider override motions to put bills into effect as law despite the governor's objections. This year the House and Senate had three vetoed House Bills and one vetoed Senate Bill to consider, as well as line-item vetoes in eight appropriations bills. Both the House and Senate members chose not to attempt any veto overrides on the first day of veto session, which was held September 14. The annual veto session officially concluded on Wednesday, September 21 when we lawmakers again opted not to attempt overrides on any of the governor's vetoes.

Recognizing Farm Safety and Health Week

During the same week we members of the Missouri House worked to advance legislation supporting the state's agriculture industry, the Missouri Department of Agriculture announced the celebration of Farm Safety and Health Week. Established by President Franklin D. Roosevelt in 1944, the third week of September is officially set aside to recognize that fall harvest time can be one of the busiest and most dangerous seasons of the year for the agriculture industry. This

year's theme established by the National Education Center for Agricultural Safety (NECAS) is *Protecting Agriculture's Future*.

Missouri is blessed to serve as the home to 95,000 farms and employs 460,000 people in agriculture, forestry and related industries. Agriculture remains the state's number one economic driver, supporting both rural and urban communities from farm to fork. In turn, farm safety and health is of utmost importance throughout the state.

In an effort to help protect agricultural health and safety professionals, healthcare providers, extension agents, producers, farmers, ranchers, and farmworkers, the AgriSafe Network is hosting daily webinars throughout the week. Topics include tractor and roadway safety, grain bin safety, wildfire and heat safety, workplace sexual harassment prevention, injury prevention, and mental health help for youth and adults.

Mental health is equally as important as physical health in the agriculture industry. The Missouri Department of Agriculture, in partnership with the AgriSafe Network, has launched the AgriStress Helpline for Missouri to provide Missouri farmers and ranchers a free and confidential mental health service. The Helpline is available 24 hours a day, seven days a week. Producers can call or text **(833) 897-2474** to speak to a healthcare professional.

For more information on National Farm Safety and Health week, visit <https://www.necasag.org/nationalfarmsafetyandhealthweek/>. To learn more about the Missouri Department of Agriculture and its programs, visit Agriculture.Mo.Gov.



My best to all of you!

A handwritten signature in black ink, appearing to be "L. J. Smith", written in a cursive style.