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SUBSTITUTE BILL PROPOSES CHANGES TO DOLAN'S 'ACCOUNTABILITY'

LEGISLATION: The Missouri Senate considered a substitute bill on Wednesday, March 5 for legislation that according to the sponsor of the original bill would bring more “accountability” to MoDOT and the MHTC. The substitute bill, offered by Sen. John Russell, R-Lebanon, proposes several changes to the original bill – Senate Bill 481, sponsored by Sen. Jon Dolan, R-Lake St. Louis.

Russell’s proposal would remove a measure in the original legislation that would prohibit MHTC members from participating in political activities such as campaigning or fundraising.

Russell and Dolan engaged in lengthy debate about a measure in the original bill that would give the governor the authority to appoint an independent inspector general to conduct investigations and audits relating to the operations of MoDOT and other agencies that receive highway revenues. Russell is concerned that an inspector general appointed by the governor would make MoDOT “more political.”

After extensive debate on the inspector general issue, Russell’s substitute bill was placed on the Senate calendar for continued debate.

HOUSE TO LOOK AT PERFORMANCE-BASED BUDGETING LEGISLATION: The Missouri House of Representatives will be considering a bill approved last month by the Senate that would require the state to use performance-based budgeting. The legislation, Senate Committee Substitute for Senate Bill 299 and 40, sponsored by Sen. Norma Champion, R-Springfield, has been referred to the House Budget Committee.

Performance-based budgeting involves establishing goals and objectives, detailed measures of program and fund performance and program evaluation. The governor may consider the outcome measures used for each program and whether the goals of the programs are achieved over the past three fiscal years in preparing budget recommendations for the General Assembly. The General Assembly would consider such outcome measures and attainment of goals and objectives for each program when making appropriations.

The governor's budget recommendations, which are submitted annually to the General Assembly, would include all outcome measures and attainment of established goals and objectives of each program and fund for the past three fiscal years and the projected outcome measures for each program and fund for the current fiscal year and the next two fiscal years; the most recent reports done by the State Auditor's office; and any evaluations done by the Oversight Division of the Committee on Legislative Research.

The act requires a performance-based budgeting review of every department and agency at least once every five years, beginning after Jan. 1, 2005. The chairmen of the House Budget Committee and Senate Appropriations Committee and the director of the Division of Budget and Planning would review the outcome measures used for programs and funds within the department, division or agency being reviewed.

LEGISLATIVE COMMITTEES CONSIDER ARBITRATION TO SETTLE CONTRACT

DISPUTES: House and Senate committees heard testimony this week on legislation that would allow disputes between MoDOT and contractors to be settled through arbitration. The bills, House Bill 461, sponsored by Rep. Neal St. Onge, R-Ellisville, and Senate Bill 491, sponsored by Sen. Delbert Scott, R-Lowry City, would apply to disputes that involve more than \$25,000.

St. Onge said many contractors, especially small contracting companies, cannot afford the costs involved in litigation to settle disputes. Jack Atterberry, representing the Associated General Contractors, agreed with St. Onge and testified in support of the bill before the House and Senate Committees. John Maupin, a St. Louis attorney, also testified in favor of the bill during the Senate hearing.

The bill proposes that either MoDOT or the contractor involved in a dispute can request arbitration, which would be handled by the American Arbitration Association using its Construction Industry Arbitration Rules. The American Arbitration Association is a non-profit organization. Its fees are based in part on the amount of money involved in the dispute.

Rep. Trent Skaggs, D-North Kansas City, asked why this legislation was limited to MoDOT and didn't involve other state agencies who could be involved in contract disputes. St. Onge said he thought MoDOT was "a good place to start," and if successful, the legislation could be expanded to include other state agencies.

There was no further action on the bills.

HOUSE COMMITTEE HEARS TESTIMONY ON MoDOT EMPLOYEE SALARIES:

The House Committee on Transportation and Motor Vehicles heard testimony Wednesday, March 5 on a bill that would require the Missouri Highways and Transportation Commission to conduct a job study every five years for all salaried employees.

The legislation, House Bill 86, sponsored by Rep. Dan Ward, D-Bonne Terre, also would alter MoDOT's pay scale by limiting it to three pay brackets per salary grade. No salaried employee would receive a reduction in pay to bring that employee's pay into the revised pay bracket. In addition, on July 1 of each year every salaried employee's salary would be increased by the Consumer Price Index but not to exceed five percent. The increase would be subject to appropriations.

Testifying in favor of the legislation was Larry Thompson, representing the Missouri Highways and Transportation Department Employees Association.

No further action was taken on the bill.

HOUSE COMMITTEE APPROVES CHANGES TO TRANSPORTATION

DEVELOPMENT DISTRICTS: A bill that would expand the law authorizing the formation of

transportation development districts was approved by the House Transportation and Motor Vehicles Committee on March 6. The legislation, House Bill 483, sponsored by Rep. Richard Byrd, R-Kirkwood, would allow two or more local transportation groups to jointly establish a transportation development district by filing a petition in circuit court.

Under the legislation, all or any portion of one or more municipalities or counties can establish a transportation district. The areas included in the district must be contiguous. Property separated or connected by public streets, easements or rights-of-way would be considered contiguous.

Brentwood Mayor Pat Kelly and Jim Farrell, representing the St. Louis Regional Chamber and Growth Association, testified in favor of the bill.

The legislation now goes to the House for consideration.

HOUSE COMMITTEE HEARS TESTIMONY ON STATE CONTRACT

PRIVATIZATION: The House Committee on Transportation and Motor Vehicles heard testimony on Wednesday, March 5 on a bill that would establish requirements for private contracts to provide state services. House Bill 383, sponsored by Rep. Tom Green, D-St. Charles, would create the Public Service Accountability Act, which would require state agencies to analyze the costs and benefits of privatizing services that are valued at \$500,000 or more, other than legal or management consultant services. If a state agency determines that it is cost effective to privatize a service, a must prepare a statement of services that includes standards of quality and quantity and an estimate of the costs of regular agency employees providing the service. This information would be used to solicit sealed bids for the service.

A contract for the services can only be granted when the difference in cost between state agency employees and outside employees is more than a 10 percent savings. Contracts could not exceed five years.

The legislation would require contractors to offer positions to state agency employees whose jobs are eliminated as a result of the contract if those employees meet the contractors' hiring standards.

Proposed contractors would have to supply information about their qualifications and any state-level political contributions for the previous four years. No state funds could be used to oppose or promote union activity among the contractors' employees,

Testifying in favor of the bill were: Steve Cox, representing the Missouri Highways and Transportation Department Employees Association, and Herb Johnson, of the AFL-CIO. Testifying against the bill were Jack Atterberry, from the Associated General Contractors, and Bruce Wylie, representing the Council of Engineers of Missouri.

No further action was taken on the bill.

HEARINGS SCHEDULED:

House Hearings—

Committee: Budget
Date: Monday, March 10
Time: 1 p.m.
Location: Hearing Room 3
Bills to be heard:
Discussion of available revenues

Committee: Conference Committee – Appropriations
Date: Monday, March 10
Time: 11:15 a.m.
Location: Senate Committee Room 2
Bills to be heard:
HB 15 – Bearden – Appropriates money for supplemental purposes.

Committee: Crime Prevention and Public Safety
Date: Tuesday, March 11
Time: 5 p.m.
Location: Hearing Room 3
Bills to be heard:
HB 330 – Myers – Allows an expungement of administrative DWI suspensions if the court has granted expungement of the conviction.
HB 582 – Stevenson – Revises various statutes pertaining to criminal history or other types of background checks.

Committee: Financial Services
Date: Tuesday, March 11
Time: Noon
Location: Hearing Room 6
Bills to be heard:
HB 353 – Luetkemeyer – Amends various provisions of the Property and Casualty Insurance Guaranty Association Act.

Committee: Conservation and Natural Resources
Date: Wednesday, March 12
Time: Noon
Location: Hearing Room 5
Bills to be heard:
HB 447 – Townley – Regulates the taking of farmland and easements by eminent domain.

Senate Hearings—

Committee: Financial and Governmental Organization, Veterans’ Affairs and Elections
Date: Monday, March 10
Time: 11:30 a.m.
Location: Senate Lounge
Bills to be heard:
SB 165 – Bland – Makes changes to the Missouri minority business advocacy commission (Consent)

Committee: Judiciary & Civil & Criminal Jurisprudence

Date: Monday, March 10

Time: 7 p.m.

Location: Senate Lounge

Bills to be heard:

SB 543 – Dougherty – Revises various criminal background checks
Executive Session on SB 446 – Modifies provisions of court procedures

Committee: Transportation

Date: Tuesday, March 11

Time: 8:30 a.m.

Location: Senate Committee Room 1

Bills to be heard:

SB 171 – Loudon – License plates (firefighters)
SB 89 – Kennedy – License plates (amateur radio operators)
SB 134 – Loudon – License plates (peace officers)
SB 240 – Mathewson – License plates (United State veterans)
SB 261 – Clemens – License plate (Missouri Fox Trotting Association)
SB 331 – Childers – License plate (Silver Star)
SB 484 – Shields – License plate (Alpha Phi Omega)
SB 581 – Bray – Revises provisions regarding special license plates
SB 594 – Bray – Allows operators of low-speed vehicles to use public highways under certain conditions
SB 598 – Childers – Highway Naming (Corporal Bobbie Harper Memorial Highway)
SB 697 – Nodler – Highway Naming (George Washington Carver Memorial Highway)

Committee: Ways and Means

Date: Tuesday, March 11

Time: 5 p.m.

Location: Senate Lounge

Bills to be heard:

SB 501 – Gross – Exempts contactors from paying sales taxes on materials used in Department of Transportation projects

Committee: Aging, Families, Mental and Public Health

Date: Wednesday, March 12

Time: 8:30 a.m.

Location: Senate Committee Room 1

Bills to be heard:

SB 444 – Shields – Requires health carriers to provide coverage for chiropractic care as part of basic health care service

Committee: Small Business, Insurance & Industrial Relations

Date: Wednesday, March 12

Time: 1 p.m.

Location: Senate Committee Room 1

Bills to be heard:

SB 201 – Steelman – Health care service codes

SB 533 – Cauthorn – Allows certain individuals to waive the protections of the workers' compensation law (consent)