



February 28, 2025

This week marked the end of bill filing, which now leaves over 2,500 filed bills to be considered for the 2025 legislative session. While the Capitol continued to be effective and efficient this week, one can only assume tensions and emotions will become heightened the next few weeks with time running out to get bills across the finish line.

### **State of the Judiciary**

Missouri Chief Justice Mary R. Russell delivered the annual State of the Judiciary address to a joint session of the Missouri General Assembly Wednesday morning, in the House of Representatives chamber. Judge Russell started off noting that for the first time in the history of our great state, we have a majority of female judges on our Court and also noted that Missouri's high court is now one of only 15 in the nation with a female majority.

Highlighting previous legislative support of the judicial branch and expressing gratitude for passing the Judicial Privacy Act last session, which helps protect judges and prosecutors across Missouri from violence and threats of violence. Additionally, highlighting challenges presented by the passage of Amendment 3 in 2023, which required the courts to expunge non-violent marijuana-related misdemeanor charges and qualifying marijuana-related felony charges, citing our courts to-date have reviewed more than 245,000 cases, of which they have expunged nearly 109,000 records.

Looking forward, the courts priorities for the 2025 session include increasing juror compensation, stating jurors currently receive only the statutory minimum of just \$6 per day and 7 cents per mile for traveling. These amounts have not been updated since at least 1989. Also noting ongoing support of treatment courts and considering adding mental health courts to the list of approved treatment courts, which only expands the court's ability to serve even more people.

Mental health in tandem with substance abuse, increasingly impacts our courts on a daily basis, citing our jails have become the largest mental health facilities in our counties. To address mental health and other needs at the earliest opportunity, pretrial services programs are proving efficient and effective. Like treatment courts, these programs are community-driven, with judges, prosecutors, public defenders, law enforcement officers and mental health professionals all collaborating to get offenders the help they need.

One final area for legislative partnership is juvenile detention. Facilities are housing more, and older, youth. There is a lack of available beds for juvenile offenders who need to be detained,

especially outstate. Older, more streetwise youth are now being housed with younger juveniles. In addition, more youth are being certified to stand trial as adults and more of these youth are remaining in secure juvenile facilities until their cases in adult courts are final. Having more high-risk, high-need youth staying longer in detention impacts the overall safety, security and rehabilitative focus of our entire juvenile justice system.

### **Committee updates**

#### **Foreign Adversary Divestment Act**

The House Committee on General Laws convened Tuesday afternoon for a public hearing on HB 196, sponsored by Representative Brian Seitz (R-Branson), which establishes the "Foreign Adversary Divestment Act." All state-managed funds would be prohibited from holding investments in any foreign adversary and would be required to immediately, in good faith, begin divestment of any such holdings and to complete divestment within two years of the legislation's effective date. State-managed funds would be further prohibited from investing or depositing public funds in any bank domiciled or principally located within a foreign adversary. Additionally, "foreign adversary" includes the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, the Syrian Arab Republic, and any other entity designated by the governor in consultation with the Attorney General. Finally, this bill is not to be construed to inhibit, conflict, impede, or otherwise interfere with any required financial safeguards, fiduciary requirements, or other sound investment criteria to which a state-managed fund is subject. Supporting testimony was presented by State Shield who stated within the federal treasury there is a general overview rather than a specific listing which may alleviate some concerns. Additional supporting testimony was provided by State Armor Action and a state public advocate. Informational testimony was presented by PSRS and MOSERS. No opposing testimony was presented to the committee.

#### **Divesting from foreign adversaries**

The House Pensions Committee met Thursday morning to consider passage of HB 977, sponsored by Representative Barry Hovis (R-Whitewater). The bill seeks to provide safeguards for MO state pension funds by requiring divestment from high-risk investments tied to the Republic of China and other entities that are deemed national security risks. Pension boards must review holdings by December 1st of 2025 and divest from restricted investments by August 28th of 2026. During committee discussion, a committee substitute was adopted to include triggers. Once modified, the committee passed the bill by a 13-1 vote.

#### **Updating LAGERS statutes**

The House Committee on Pensions met Thursday morning to discuss HB 976, sponsored by Representative Barry Hovis (R-Whitewater). The bill seeks to provide statutory updates to the Local Government Employees' Retirement System to account for federal changes, outdated, or obsolete provisions. LAGERS supported the bill and informed committee members that the system was created in the 60's and a lot of things have changed since and statutes need to be updated as there are also several legacy statutes, which are laws or regulations that have been replaced or are no longer in use. No opposing testimony was presented.

## **Budget Update**

The House Budget Committee concluded the process of hearing from individual state departments on their budget requests for fiscal year 2026 this week with the Department of Health and Senior Services, Lt. Governor, and a second hearing from the Office of Public Defender. Next week the House subcommittees on Appropriations will begin the process of marking up individual budget bills for full consideration by the Budget Committee concluding before spring break. It is expected the full House will be able to consider the budget the week after spring break, sending the budget to the Senate before the end of March and ahead of schedule (knock on wood). Interim Director Sarah Willson (who was confirmed as permanent Director on Thursday) provided a somber analysis of the state of Missouri's health infrastructure outlook, noting that the state's population of individuals above the age of 60 will outnumber those below the age of 18 for the first time within the next five years and that our state's current health infrastructure is insufficient to provide a dignified, healthy, and affordable lifestyle for the aging population. Director Willson also provided an update to legislators on ongoing cannabis division efforts to combat the sale of unregulated synthetic psychoactive cannabinoids to children in retail outlets across the state and said the state's cannabis stores sold nearly \$1.5 billion of adult use marijuana products in 2024, ranking the state fifth in the country for cannabis sales. Included in the Department of Health and Senior Services budget are several new items:

- Increased annual funding for the Children's Health Insurance Program (CHIP) childhood immunization program to \$2.6 million
- \$20.8 million to combat adult substance use disorder in a partnership with the Department of Mental Health
- \$469,000 for maintenance of the state's emergency ventilator stash
- \$711,000 in Federal funds for grants to local public health agencies in Jefferson, Jasper, Madison, and Washington counties to conduct testing of groundwater sources and educational campaigns around federally designated superfund sites
- \$100,000 in Federal funds to fight outbreaks of legionnaires' disease in state Veterans homes
- A reduction of \$877,000 in General Revenue to investigate the sale of unregulated psychoactive synthetic cannabinoid products in the state
- \$100,000 to provide training to forensic examiners on the use of telehealth for medical providers
- \$643,000 for newborn screenings for genetic disorders
- A NDI of \$98 million of Federal Funds for the Home and Community Based Services (HCBS) program to provide Medicaid participants with services in their homes and communities
- \$10.6 million for grants to area agencies on aging to promote health among the aging population; and,
- \$1.7 million from the Opioid Addiction Treatment and Recovery Fund for an integrated narcotics and dangerous drugs tracking database across state and local agencies.

The Budget Committee also heard from the Lt. Governor on his office's fiscal year 2026 budget, although he noted the budget was written mostly by his predecessor with little input from him. The budget proposal includes:

- \$2 million for the Truman Presidential Library,
- \$5.5 million for the Springfield Art Museum; and,
- \$2.2 million for the Bellefontaine Cemetery restoration and preservation.

Finally, the Budget Committee held a second hearing on the proposed budget for the Office of Public Defender, during which the Director highlighted new policies governing the hiring of personnel with past criminal convictions after the Committee expressed frustration with the hiring of a convicted sex offender as an outreach officer during a prior hearing.

### **Tidbits**

- The Senate Committee on Gubernatorial Appointments met Wednesday morning to consider four appointments and ended up voting unanimously to confirm only three appointees. Governor Kehoe appointed Jessica Bax as the new Director of the MO Department of Social Services last month and ultimately she was removed from confirmation and not included in this weeks' vote. Senator Mary Elizabeth Coleman and Director Bax have been in communications regarding current situations within the State Foster Care Program. As of now, the plan is to provide Bax another week to see if things can be worked out between the Senator and Bax and hopefully consider the confirmation next week.
- This week, MO Secretary of State Denny Hoskins rejected the proposed emergency rules that were submitted to implement Missouri sports betting. The MO Gaming Commission sent the rules to Governor Mike Kehoe last month, with hopes to have sportsbook up and running by June. Although, the ballot initiative has a deadline of December 1, 2025, according to the Secretary of State, sports betting does not meet the criteria and does not have to go through the emergency process to go into effect earlier. The Gaming Commission has also filed non-emergency rules and will move forward with the regular rulemaking process, with an effective date of August 30, 2025.
- MO State Treasurer, Vivek Malek along with six other State Treasurers and the Teas Comptroller sent a letter to Vanguard this week to express concerns regarding the upcoming trustee election for all U.S domiciled funds. This election marks the first since 2017 and according to the letter, the nominated slate of 13 individuals for 13 positions appears limited in their viewpoints toward the scope of fiduciary duties and several candidates exhibit the potential to prioritize political agendas over investment policies. The full letter can be viewed [here](#).

### **Hearing Schedules**

[House](#)  
[Senate](#)

### **Chamber Floor Calendars**

[House](#)  
[Senate](#)

### **Upcoming Dates of Interest**

- February 28, 2025 – Last day to file legislation
- March 14-21, 2025 – Legislative Spring break
- April 21, 2025 – Easter holiday – no session
- May 9, 2025 – Last day to pass the FY26 budget

- May 16, 2025 – Last day of the 2025 legislative session
- September 10, 2025 – Veto session

**Custom Bill Track Link**

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- As a reminder, this is a hotlink and updates automatically as things are added, progress, or change.

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