

2025 Missouri Legislative and Legal Update

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Presenters



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2025 Missouri Legislative Update



About Clarkston Nelson

Clarkston Nelson Government Solutions is a full-service governmental relations and advocacy firm in Jefferson City, Missouri. Our team shares a longstanding, respected reputation in the Missouri State Capitol. Our uniquely qualified professionals have decades of combined experience working with the Missouri State Legislature, the Executive Branch, and State Agencies.

Principals & Government Consultants

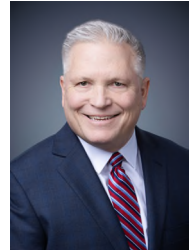
Heath Clarkston

- Heath Clarkston has more than two decades working for a variety of clients as a registered lobbyist in Missouri with state government relations and public relations experience.
- Received his Bachelor of Science degree in Public Administration and Political Science in 1997 from Missouri State University in Springfield.
- An active member in many civic and professional organizations, Heath is the benchmark of hard work in the State Capitol.



Doug Nelson

- Doug Nelson spent five years as Missouri's State Commissioner of Administration working with all branches of government and executive branch departments on contracting and procurement matters.
- Doug spent over 18 years as an Assistant Attorney General focusing on consumer and contract litigation and administrative/regulatory matters.
- Received his Bachelor of Arts degree in 1987 from University of Missouri, Columbia, and Law degree in 1990 from University of Missouri, Kansas City.





Political Climate

New leadership in both legislative chambers.

Senate - **24** Republicans & **10** Democrats

House - **111** Republicans & **52** Democrats

- Mike Kehoe - Governor
- Cindy O'Laughlin - Senate President Pro-Tem
- Tony Luetkemeyer - Senate Floor Leader
- Jon Patterson - Speaker of the House
- Alex Riley - House Floor Leader

There are significant changes in 2025 as many key leaders in the House and Senate are putting their stamp on government.

Session Update

The constant disagreements in the Missouri Senate in 2024 led to one of the least productive legislative sessions in modern history.



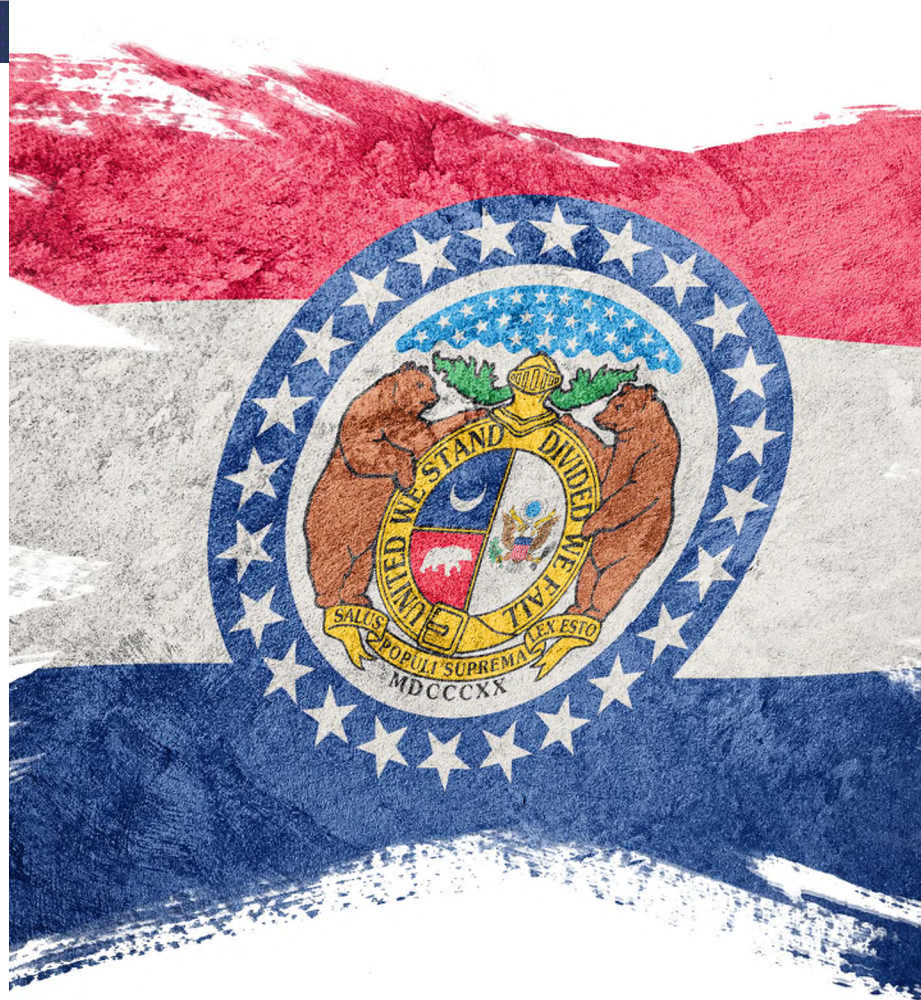
In 2024, only 46 bills reached the Governor's desk and 18 of these were budget bills.



We expect the House and Senate leadership to find ways to work together with the help of Governor Mike Kehoe in 2025 and after three weeks that is happening.



As of today, 759 bills from the Senate and 1,332 bills from the House have been filed.



Governor Mike Kehoe State of State Priorities



Taxation

Phase-out and Repeal: State Income Tax, Capital Gains Tax; and Corporate Income Tax



Law Enforcement & Crime

State Control of St. Louis City Police Department and Expanding Criminal Statutes



Education

Expansion of School Choice, Re-Write of Public School K-12 Funding Formula, and Early Childhood and Childcare

Priorities of the Republican Majority Caucuses

Tax Reform

- Capitol Gains Tax
- Income Tax

Energy

- Financing for new construction
- Future energy needs (Data Centers)

Law Enforcement

- State control of St. Louis City Police
- Stronger penalties for violent crimes

Education

- Early Childhood Education
- School Choice

State Budget

- Public Education Funding
- State Upgrade on Informational Technology

Healthcare

- Rural Healthcare Access
- Controlling Pharmacy Costs and Access



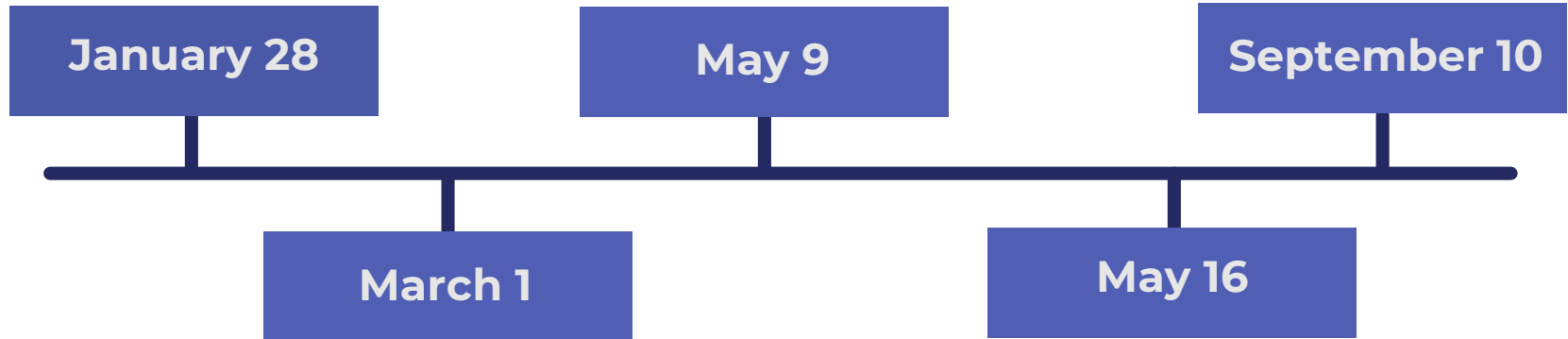


2025 Dates of Interest

State of the State Address
by Governor Mike Kehoe

Missouri Budget Must be Passed

Veto Session



Last day to File Legislation

Last day of Legislative Session

Get in Touch



Contact us for more information



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Employment Law Update in Missouri

- **Proposition A**

- Voted in by 54% of the vote on November 5, 2024
- Will be codified at Chapter 290 of the Revised Statutes of Missouri,
 - R.S.Mo. 290.502 was amended to reflect the changes in minimum wage, with those changes being implemented as of January 1, 2025
 - R.S.Mo. 290.600-290.642 were added, and codifies Missouri's new paid sick leave requirements. The commencement of the accrual date for paid sick leave begins May 1, 2025.



Employment Law Update in Missouri

- Minimum Wage as of **January 1, 2025** has increased to **\$13.75** per hour.
- On **January 1, 2026** minimum wage will increase again, to **\$15.00** per hour.



Tipped employees must receive at least 50% of minimum wage, plus any amount necessary to bring the employee's total compensation to at least minimum wage.

- On **January 1, 2027** and thereafter, minimum wage will increase or decrease generally based on CPI. If the Federal minimum wage increases above state minimum wage, then the state minimum wage must follow that trend.



Employment Law Update in Missouri

- **Paid Sick Leave**
 - (R.S.Mo. 290.600-290.642)
- By **April 15, 2025**, provide written notice to employees about the sick leave policy, if changing from the company's current policy
- For employees commencing employment after April 15, 2025, provide written notice within fourteen calendar days of the commencement of employment
- **On May 1, 2025**, accrual of one hour of paid sick leave for every thirty hours an employee works begins

FREEDOM TO WORK



Employment Law Update in Missouri

- For employers with fifteen or more employees, employees can use up to fifty-six hours, or seven days, of paid sick time per year.
- For employers with fewer than fifteen employees, employees can use up to forty hours, or five days, per year.
 - The number of employees an employer has includes *all* employees (full time and part time)
Frontloading versus incurrence in real time
- Verification of information from employees
- Exemption of certain employers and employees
- Review of current policies

FREEDOM TO WORK



Employment Law Update in Missouri

- ***Raymond McCarty et al. v. Missouri Secretary of State and State Auditor***



Filed December 4, 2024 with the Supreme Court of Missouri



Challenges the constitutionality of Proposition A and asks the election results be overturned and Prop A be declared invalid



The matter was assigned to Boone County Judge Joshua Devine who will serve as commissioner for the litigation

SC100876

IN THE SUPREME COURT OF MISSOURI

RAYMOND MCCARTY, DANIEL SHAUL, RUSSELL LAHL, MISSOURI GROCERS ASSOCIATION, MISSOURI RESTAURANT ASSOCIATION, ASSOCIATED INDUSTRIES OF MISSOURI, NATIONAL FEDERATION OF INDEPENDENT BUSINESS, INC., MISSOURI FOREST PRODUCT ASSOCIATION, and MISSOURI CHAMBER OF COMMERCE AND INDUSTRY,)
Plaintiffs,)
v.) Case No. _____
MISSOURI SECRETARY OF STATE)
John R. Ashcroft,)
Capitol Building, Room 208)
Jefferson City, MO 65101,)
and)
MISSOURI STATE AUDITOR)
Scott Fitzpatrick,)
301 West High Street, Room 880)
Jefferson City, MO 65102.)

VERIFIED PETITION FOR ELECTION CONTEST

Plaintiffs allege for their petition:

1. Proposition A was submitted to Missouri voters for approval or rejection on the November 5, 2024 election ballot. It was a statewide measure and therefore was included on ballots in all counties in the State of Missouri and the City of St. Louis, including Cole, Jackson, and Jefferson Counties.

Employment Law Update in Missouri

Raymond McCarty et al. v. Missouri Secretary of State and State Auditor

- Briefing schedule ordered by Commissioner is as follows:
 - Plaintiffs/Intervenors brief(s) due on or before 5:00 p.m. on February 13, 2025;
 - Defendants' and Intervenors Jobs with Justice Ballot Fund and Richard von Glahn's brief(s) due on or before 5:00 p.m. on February 28, 2025; and
 - Plaintiffs/Intervenors reply brief(s), if any, due on or before 5:00 p.m. on March 7, 2025.
- Oral argument scheduled for March 12, 2025 in front of the Supreme Court
- Streaming on Missouri Court's website



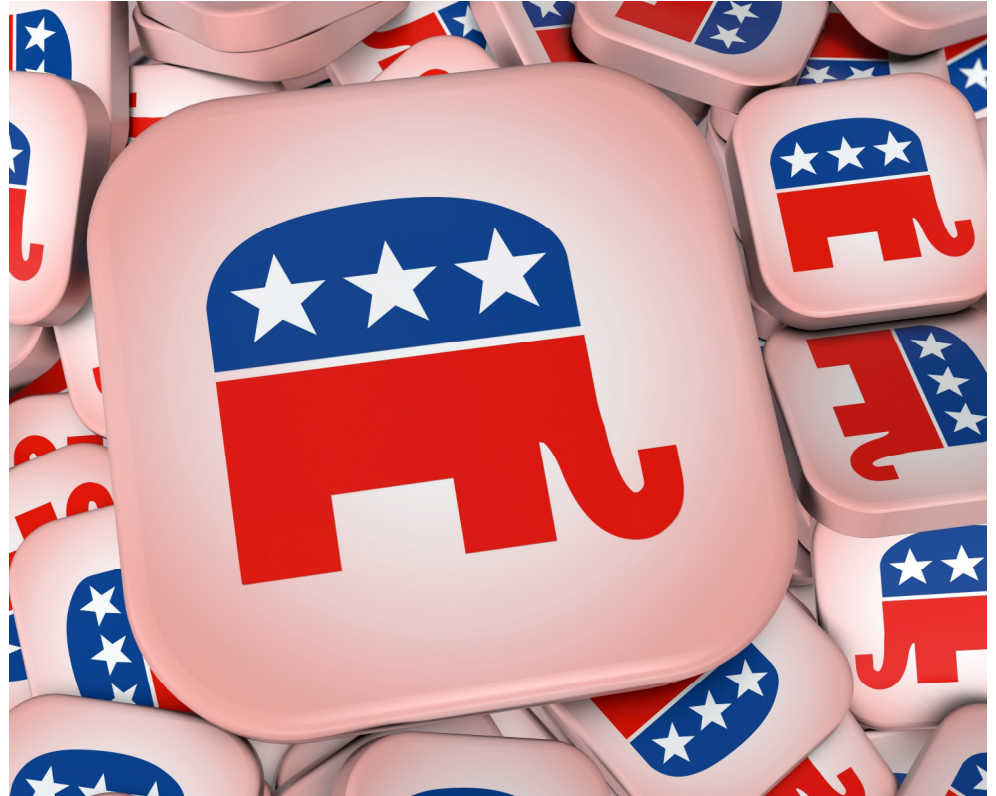
Possible Tax Legislation

- Review status of 2017 Tax Cuts and Job Act
 - Expires December 31, 2025
 - Includes Qualified Business Deduction (20%) and estate tax exemption.



Possible Tax Legislation

- Republican priorities
 - Tax cuts
 - Immigration
 - Defense funding



Possible Tax Legislation



- Challenges
 - Slim majorities
 - Cost of tax cuts
 - House Freedom Caucus
- Majority of House and 60 votes in Senate to avoid filibuster
- Budget Reconciliation

Questions?

Contact Us



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