



LEGISLATIVE BULLETIN

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LEAGUE OF WOMEN VOTERS OF MISSOURI

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DEATH PENALTY – Sydell Shayer

The League supports the abolition of the death penalty. We also support a moratorium on the death penalty because it gets us closer to our goal.

HB 1683 (Deeken) with over 50 co-sponsors proposes a moratorium on executions and a study commission on the death penalty system. It is not yet on the calendar or assigned to a committee. Last year a similar bill had the moratorium portion deleted and the study portion died toward the end of the session.

SB 591 (Bray) abolishes the death penalty, and has been referred to the Senate Judiciary and Civil and Criminal Jurisprudence Committee.

ENERGY – Win Colwill

ACTION ALERT: Call your state senator and state representative and urge them to vote NO on **HCR 32** and **HCR 46**. These resolutions seek to block federal action to curb global warming emissions by raising unwarranted fears about the impact of comprehensive climate legislation on Missouri's economy and by denying the overwhelming scientific evidence of climate change. Passage of a bill to address climate change is a top priority of the League of Women Voters (see www.lwv.org).

Both resolutions ask Missouri's Congressional delegation to oppose the American Clean Energy and Security Act (**H.R. 2484**) which passed the House last year and is pending before the Senate. **HCR 46** also urges the delegation to reject EPA's formal endangerment finding that current and projected concentrations of 6 greenhouse gases, including carbon dioxide, threaten the public health and welfare of current and future generations.

- **HCR 46** aims to undermine the Clean Air Act and EPA's ability to regulate pollutants that harm public health and welfare
- **H.R. 2484** (ACES) keeps utility rates low by giving 30% of pollution allowances (permits) free to local electricity and natural gas companies and requires the utilities to pass the benefits (proceeds from sales) on to their customers.
- ACES also protects low- and moderate-income households by allocating 15% of allowances to minimize impacts on these households.

Tell your state legislators that a vote for **HCR 32** and **HCR 46** is a vote *against* clean energy jobs and a healthier future for Missourians and a vote *for* more pollution and more harm to the economy from increasing climate change impacts.

MENTAL HEALTH/HEALTH – Lael Von Holt

The 2010 Legislative Session is well underway. Many bills have been filed; many have been assigned to committee; some have been heard and some have advanced to perfection. Several of the more interesting bills for this portfolio include:

SS SB 618 (Rupp) requires health carriers to provide coverage for the diagnosis and treatment of autism spectrum disorders under certain conditions (under age 21 and a maximum benefit of \$55,000 per calendar year). This does not apply to MO HealthNet. Those children are expected to have access to Department of Mental Health services. **SS SB 618** has moved quickly this session, being perfected in the Senate on February 3.. League has consistently supported the effort to require health insurance coverage for children within the autism spectrum disorders and has provided written testimony.

HB 1311 (Scharnhorst) is the companion bill in the House. As of Feb. 3, it was referred to the House Rules Committee as a substitute bill including **HB 1341** (Grill). **HCS HB 1311** (primary) and **HB 1341** have advanced convincingly toward health insurance coverage for autism.

SB 639 (Schmitt) authorizes a state false claims act for MO HealthNet (Medicaid) fraud. This bill provides that any person may bring an action for MO HealthNet fraud on behalf of the person and the state. In risky budget environments such as we now have, detection and fraud prevention bills can be expected. This controversial bill was referred to the Senate Judiciary, Civil and Criminal Jurisprudence Committee and League will follow for any action.

HCS HB 1377 (Brandom) requires the Department of Social Services to test applicants for or recipients of TANF (Temporary Assistance for Needy Families) benefits for the illegal use of controlled substances. This is another controversial bill with mental health implications. As of Feb. 3, this bill has been taken up for Perfection in the House but Laid Over, amended pending. In spite of the debate, this bill has advanced quickly.

ETHICS REFORM – Nancy Copenhaver

Ethics reform continues to move swiftly through the legislative process as **SB 577** (Shields) was passed out of the Senate Rules, Joint Rules, Resolutions and Ethics Committee this week and is now eligible for floor debate. The bill would create the position of an independent investigator within the Ethics Commission, bar certain contributions to incumbent officials during session, and expand income reporting requirements to include legislative staff. Since Sen. Shields is in leadership, this appears to be the ethics bill that is most likely to move, and campaign contributions limits are not included in it.

TAXES – Elaine Blodgett

SJR 29 (Purgason) and (**HJR 56**) is a proposed constitutional amendment that replaces the state individual and corporate income tax, the corporate and bank franchise tax, and state sales and use tax with a tax on the sale, use, or consumption of new tangible personal property and taxable services equal to 5.11% beginning January 1, 2012. (Component parts of ingredients of a new tangible personal property to be sold at retail, federal government purchases, and business-to-business transactions, including agriculture, will be exempt from the new tax, while all other exemptions and tax credits will be eliminated.

Those proposing the so-called “Fair Tax” also known as “New Jobs Through Tax Reform” are the same people who believe that progressive taxes, such as the current state income tax, on individuals and corporations should be done away with—putting in their place, a state sales tax. A person would no longer be taxed on income, but on purchases of goods and services made by everyone in the family.

Supporters of this bill in the Missouri legislature have begun their public campaign with a giant postcard telling homeowners that new jobs will be created in Missouri with this reform and asking that we contact our state senators to vote “yes.” The assumption is that a state which has sales tax and no corporation or business tax would be a magnet for industries and corporations, thus creating more jobs.

Passage of **SJR 29** by the legislature would then require a 2/3 vote by the people to put it into an amendment to the state constitution, not into state statutes (and does not need the Governor’s approval to reach the ballot). Unfortunately, if it doesn’t work out, it would be almost impossible to fix as it would have to go into a petition process for the ballot yet again going to the voters. Making a fiscal policy a constitutional amendment brings into question the motives of those pressing for this change.

Is this problem solving or a new way to put the burden for state revenue on the middle class? No businesses or corporations need carry that burden as they are exempt. If you are included among those purchasing food, medicine, getting a haircut, buying a home, calling the plumber or using any kind of services, you will now pay sales tax. Some suggest that the state portion will be 6-9% while the worst scenario is 11%. Add up your local and county taxes now, including those extra TDD taxes at some malls, then add on the state sales tax and you are well over 10% on every purchase.

We in the League don’t think that a sales tax on ALL goods and services is really the answer to funding Missouri’s budget. Taking most of the exemptions from current income taxes and keeping the percentage low would solve the problem. But, can we get the legislature to do that? Furthermore, League prefers a mix of revenue. Some forms of taxation are steadier than others. Property tax is likely to be more steady in good and bad financial times in providing revenue than the sales tax which is considered highly volatile, with almost immediate effects (in good times people buy, in bad times they don’t). Furthermore, those with less income will spend more proportionally on the sales tax than those who are quite wealthy.

Just say “NO” to sales taxes as a means to fund Missouri. League wants fairness and equity for all, for both citizens and corporations who need and use government services. Amy Blouin with

the Missouri Budget Project has written and testified with excellent expert information on this issue (see “That Old Tax Magic” at stltoday.com). Otto Fajen, Missouri NEA lobbyist, says “The state needs a responsible and sustainable tax policy to fund investment in public schools and other vital services. Perversely, the so-called “Fair Tax” proposal would actually make Missouri's tax code profoundly less fair, less adequate and less sustainable.”

Another proposed tax issue that would have adverse affects on local school districts is HB 1507 (Sutherland) heard on Feb. 4 in the House Ways and Means Committee. County assessors are allowed to keep a percentage of school property taxes and other local property taxes to fund the county assessment process. The state also provides some state funding. The bill would allow assessors to take an additional amount of school property revenues to ensure that assessors receive a total of \$7 per parcel in state and local property tax funds. This essentially gives county assessors' offices a new funding “hold harmless” paid for with school tax revenues and makes it easier for the state to cut funding for assessors at school district expense.

Once again, proposals to create a constitutional amendment (referred to as TABOPR) have been filed. **HJR 87** (Icet) and **SJR 35** (Lager) would create a new constitutional provision to severely limit state revenue and appropriations. The limits are proven to have dire consequences in Colorado, the only state that has a TABOR requirement. More information about tax bills can be obtained by contacting Amy Blouin at ablouin@mobudget.org.