

# LEAGUE OF WOMEN VOTERS OF MISSOURI

## LEGISLATIVE NEWSLETTER

March 13, 2017

### TAXES

Tax Chair- Nancy Copenhaver

Property Tax Credit for Senior Citizens

There is a new policy in the House that there can be a House Bill filed by a Committee past the normal deadline for filing a bill in the House.

There has been one of these filed by the Budget Committee chair to seriously consider removing the property tax credit for senior citizens, commonly called the circuit breaker, in order to move those funds elsewhere. Obviously this is one tax credit that most people support as it helps senior citizens stay in their homes.

The Streamlined bill (Marketplace Fairness Act) was voted out of the Senate Ways and Means Committee BUT it has an amendment put on it by Senator Kraus who chairs the committee to cut the income tax by 1/100 % so as to make this revenue neutral.

## EDUCATION

The following statement was provided by the LWV OFMETRO – STL. The LWVMO has approved this statement of position for the LWVMO.

League of Women Voters of Missouri  
Position on SB 32 – The Missouri Empowerment Scholarship Program

State Senator Ed Emery has sponsored and submitted, SB 32, the Missouri Empowerment Scholarship Accounts Program which would allow a taxpayer to make contributions to “educational assistance organizations,” 501(c)(3) organizations, that provide scholarships for K-12 students to use to attend private schools.

In turn, the taxpayer would get a full tax credit, i.e., a credit equal to 100% of the contribution (but not for their own dependent).

SB 32 also allows Missourians to create education savings accounts with education assistance organizations for k-12 tuition for private schools or for the cost of homeschooling their own children. Contributors to individual education savings accounts would also get full tax credits, except for their own dependents. The annual cumulative amount of tax credits would be limited to \$25 million.

The League of Women Voters of Missouri opposes this bill because, if enacted, it would drain tax dollars away from public schools to private schools via the 100% tax credit provision. Missouri public schools are already operating under significant

duress due, in large part, to chronic reductions in state funds to local school districts.

It is estimated that the Foundation Formula is underfunded by at least \$400 million. This measure would further reduce tax dollars available to support public schools while at the same time, bolstering private schools. Article IX, Section 1(a) of the Missouri Constitution makes it clear that the General Assembly's first obligation is to establish and **maintain** public schools, not private schools.

Information provided by Susan Turk.

IF YOU HAVE NOT DONE SO, PLEASE CONTACT YOUR STATE SENATOR AS A RESIDENT CONSTITUENT TO OPPOSE SB 32.

FROM MNEA 3/8/2017

#### CHARTER SCHOOL EXPANSION

The House is expected to bring HCS/HB 634 (Roeber) to the House floor for debate. Numerous amendments were being drafted and filed on March 8, but the bill was not debated. The original bill would expand charter schools to operate in any district in the state. The HCS slightly limits the expansion to all first class and charter counties, which currently include 70% of the state's population.

#### **LEAGUE'S POSITION CHARTER SCHOOLS ADOPTED 1999, UPDATED 2007, 2015**

The League does not support or oppose charter schools. Since Missouri law permits Charter schools, the League supports criteria for governance and operations similar to those of

traditional public schools but accountability and accreditation same as those of traditional public schools.

The League has opposed the expansion of charter schools state-wide.

From the Missouri Budget Project

### **Governor's Tax Committee**

The Governor's Committee for Simple, Fair, and Low Taxes held an organizational meeting Thursday. Members include Representatives Haahr, Rehder, & Barnes, Senators Kraus, Hegeman, & Koenig, former Senators John Lamping & Jason Crowell, and Will Scharf, the Governor's policy director. Joel Walters, the incoming Director of the Department of Revenue, serves as the committee's chairman.

The goals of the Committee are to:

- a. Compare Missouri 's tax credit programs and its tax rates to those of its peer states;
- b. Assess the economic impact of existing state tax credit programs;
- c. Assess the possibility of financing cuts to overall state tax rates with cuts to tax credit programs; and
- d. Recommend comprehensive tax reform legislation to the Governor no later than June 30, 2017.

The Committee voted to split its work into three subcommittees that will examine: 1.) changes to tax credits, 2) the state's income tax structure and 3.) revisions to the state's sales tax laws.

The Committee will hold at least four town hall meetings around the state to receive comments from members of the public. Those meetings have not been set yet. The committee will also consider written testimony that is submitted.

From Senator Gary Romine

### **Senate Education Committee Hears Measure to Give Missouri Schools More Flexibility in Their Budgets**

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As many of you know, Missouri is facing a difficult upcoming fiscal year. While the prospect of unexpected revenue from a tobacco settlement could potentially improve the situation, lawmakers will still have to make some difficult choices in order to pass a balanced budget, which is required by the Missouri Constitution. Among other items, proposed budget cuts include student transportation funding, something that will disproportionately affect our rural school districts.

On Tuesday, the [Senate Education Committee](#), on which I serve as chairman, heard testimony on legislation aimed at alleviating some of the financial strain our school districts will likely face as they go about supplementing their transportation allowances. Very simply, [Senate Bill 434](#) allows Missouri's school districts to use up to one-half of 1 percent of their professional development funding to cover student transportation costs whenever the state reimbursement rate falls below 25 percent. A majority of the district's school board must approve the decision.

Professional development is important, but it also loses its purpose if we cannot get our kids to school in the first place. If signed into law, SB 434 will give Missouri school districts more flexibility in how they spend their money, ensuring they can provide our students with the best possible education, even when finances are tight.

In other Education Committee news, we have already heard several bills this session pertaining to early childhood education. While there are many moving parts to consider when it comes to early childhood education, it seems as though people tend to disagree most about how much, or how little, government should be involved. I absolutely see the value in early childhood education, but I also recognize that a lack of parental involvement can often account for the gap in a child's preparedness for formal education. Ultimately, whatever legislation we pass concerning early childhood education, we must ensure we are creating the best environment for children to grow, learn and be successful from an early age.

### **Contact Me**

I always appreciate hearing your comments, opinions and concerns. Please feel free to contact me in Jefferson City at (573) 751-4008. You may write me at Gary Romine, Missouri Senate, State Capitol, Jefferson City, MO 65101.

