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LWV Legislative Bulletin
February 25, 2019

Information provided by the Missouri Budget Project and the LWVMO Legislative Committee.

TAX BILLS

Internet Sales Tax

SB 46 and SB 50, now “wrapped together,” have passed out of committee, and are on the Senate formal calendar. These are the bills that would allow collection of sales taxes due on online sales BUT reduce the amount of income tax collected. The impact of SB 46 on Missouri revenue would be substantial, losing vital funds for classrooms, roads and bridges, and other important services. And, Missouri Budget Project’s analysis shows a family making \$50,000 a year would only see a \$13 tax cut—not a good tradeoff. There is now a substitute for SB 52 (Eigel) which has not been thoroughly analyzed yet but is very regressive.

LWVMO opposes all the bills (above).

Sen. Crawford’s SB 189 allowing collection of on-line sales tax and use tax had a good hearing which has possibilities of being a good bill with some changes. It has some caps that could be adjusted to make it better.

NEW HOUSE SUBCOMMITTEE ON INTERNET TAXATION

This committee met this past week to begin discussion on how the state will collect sales taxes due on online sales in the wake of the Supreme Court’s “Wayfair” decision. Committee Chairman J. Eggleston explained that Missouri could adopt either a sales or a use tax to collect taxes on those out-of-state internet purchases. Rep. Jeff Justus stated the importance of collecting the taxes to create a level playing field for small brick and mortar retailers who are the only ones currently paying for public safety and infrastructure. Director of Revenue Joel Walters suggested that a single state rate on sales tax on internet purchases would be the easiest approach; however, Alabama is currently the only state that uses a single rate.

EARNED INCOME TAX CREDIT (EITC)

The House Ways and Means Committee will consider HB 291, a bill to establish a state Earned Income Tax Credit (EITC), on Wednesday, February 27 at 8 a.m. The EITC would make Missouri’s tax structure fairer by providing a much-needed boost for working families

CIRCUIT BREAKER

You will remember that this is the tax credit that allows older low-income home owners (and renters) to reduce their property taxes, which is helpful to keeping folks in their homes even if properties have appreciated and taxes have gone up. Some Republican legislators have been trying to eliminate or reduce this for several years, but there is much opposition. This could possibly save the state over \$50 million but would be very harmful to many low-income seniors.

ACTION: It is important to express your support for the “circuit breaker” to your legislator.

REVENUE

Revenue continues to be down, about \$311 million down from this time last year. When taxes start coming in though, revenue is likely to meet the consensus revenue estimate. The average refund is currently down about \$80 per person. The House continues working on the budget anticipating meeting the consensus revenue estimate and if it doesn't happen, the Senate will have to look at cuts in order to balance the budget. Expect the full Budget Committee in the House to continue markup on Wednesday this coming week with amendments coming the following week. Remember that Budget Committee members can't add to a budget item unless they first reduce another item in that budget bill.

MEDICAID - WORK REPORTING RULES

The Senate Seniors, Families & Children committee finished hearing testimony this week from numerous groups who opposed the work reporting requirements of SB 76. The committee then voted do pass, sending the bill to the formal calendar for full Senate debate.

Bills that would impose work reporting requirements for both SNAP (food stamps) and Medicaid (MoHealth Net) now await debate on the Senate floor, although the schedule of the debate is unknown.

HEALTHCARE

The “junk” insurance bill, SB 48 (Koenig) was voted out of committee this past week but is not yet on the calendar. It is a very low-cost insurance that doesn't cover lots of conditions. (A similar bill in the House, House Bill 83, is not yet on a House calendar.)

Short-term policies can exclude from coverage an array of pre-existing conditions, and people with preexisting conditions face discrimination. The bill would also exempt the policies from mandates related to a host of conditions including maternity coverage, diabetes, HIV, eating disorders, chemical dependency, mammography screenings, etc. The plans provide little coverage and are highly profitable for insurance companies.

Please contact Senators to urge them to oppose the measure. Help them understand this is not good policy.

EQUAL RIGHTS AMENDMENT

This information is provided by the organization *Springfield Missouri Feminists*.

All Representatives have been provided emails with multiple educational links about the ERA. The full Senate received their email this week.

Mark your calendar: Thursday, April 11 – ERA Rally at the Capitol in Jefferson City – 9:30-11:30 a.m.

The Ask a Senator! and Ask A Representative! events are updated for current action requests, and the deadline has been extended to April 10, the day before the rally. Please help us work these programs until the rally, as it will be far more fun to thank our Legislators for cosponsoring, than still be asking them to do it! Here are the links:

Ask a Senator! <https://www.facebook.com/events/313214489298104/>

Ask a Representative! <https://www.facebook.com/events/323059464968078/>

Equal Rights Amendment Ratification Rally <https://www.facebook.com/events/527871167697466/>

Commentary about the ERA:

The Equal Rights Amendment states in 24 simple words, “Equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex.”

There is no valid reason to deny men and women equal constitutional protection from workplace discrimination and health care inequities, or to deny protection for women from disparate rates of poverty, rape, and domestic violence assaults, that the Equal Rights Amendment would provide.

Abortion is currently legal in Missouri without a state-level or federal Equal Rights Amendment, clearly reminding us that abortion legislation and constitutional equality legislation are two very separate issues.

We urge the General Assembly to take a step back from the lobbyist pressure of anti-ERA groups and assess the legislation to establish Missouri's ratification of the Equal Rights Amendment on its own merit.

We want legislators who believe in constitutional equality between men and women.