

LWV LEAGUE OF WOMEN VOTERS[®] OF MISSOURI

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LWV Legislative Bulletin April 8, 2019

LWV members are encouraged to personally communicate, as individual voters (not as LWV members), with their legislators on the various legislative bills. Previous issues of the Legislative Bulletin can be found at this link: <https://lwvmissouri.org/legislative-bulletin/>

The following information related to the state budget and revenue was provided by the Missouri Budget Project:

HB548 – SALES TAX ON ONLINE PURCHASES

Tax Bill Would Cost MO \$74 Million in 1st Year, Divert Education Funding, and Bar Cities and Counties from Collecting Online Sales Taxes Owed to Them

HB548 Although certain provisions of House Committee Substitute for House Bill 548 (HB 548) would close an ongoing tax loophole, **the remainder of the bill would make Missouri’s tax structure more unfair for most Missourians, shortchange education funding, and jeopardize the resources our communities need to prosper. The bill would cost Missouri \$74 million in just the first full tax year of implementation.**

The House Committee Substitute for House Bill 548 (HB 548) would:

- Implement the components of the “Wayfair Fix,” allowing Missouri to collect sales taxes owed on online retail purchases just like the state does for purchases at local retailers.
- Endanger public services while directing an additional tax cut to Missouri’s wealthiest. The bill would cut the top rate of income tax by 0.14 in the first year of implementation, followed by additional reductions in the income tax rate that would be triggered by growth in sales tax revenue. The cost of the income tax reductions far outweigh the benefit of Wayfair.
- Shortchange pre-K to 12 education funding by diverting currently earmarked sales taxes for education. Earmarked sales taxes that would be collected under the “Wayfair Fix” would be designated as general revenue, reducing education funding over time as e-commerce grows.
- Limit the ability of cities and counties to collect taxes due for online retail purchases, even if those localities already have a “use tax.”

Our current budget situation is volatile, at best, and any changes in tax policy should help us meet current needs and not stop us from correcting issues when they arise. **House Bill 548 would make the volatility**

more severe. Increases in General Revenue should be used to address current budget needs and not irresponsibly wasted on *new loopholes or giveaways*.

Please contact House and Senate members and urge them to oppose this measure.

Ask that they oppose HB 548 and instead support a clean version of the “Wayfair Fix” (See the Missouri Budget Project’s quick summary of the Wayfair Fix here: <http://www.mobudget.org/wp-content/uploads/2019/04/Wayfair-Fact-Sheet-April-2019.pdf>)

Full list of House Members available here: <https://house.mo.gov/MemberRoster.aspx>

PROPOSED CIRCUIT BREAKER ELIMINATION

A proposal to eliminate the circuit breaker property tax credit for low-income seniors or people with disabilities who rent their homes was passed out of the Senate Ways & Means Committee and put on the Senate calendar for debate.

Eliminating eligibility for renters would cut about 95,000 Missouri seniors from the credit, despite the fact that they pay the cost of property taxes to their landlords through their rent.

BUDGET UPDATE

Almost \$300 Million Below Projected Revenue as Senate Begins Budget Deliberations Next Week

The Senate Appropriations Committee will meet this week to begin its budget deliberations.

Each year, the state budget is based on estimates of state revenue for the following year. This revenue estimate is called the Consensus Revenue Estimate (CRE). At the end of March, Net General Revenue (GR) is down 4.26% compared to last year - or **nearly \$300 million below projections.**

To achieve the revenue estimated in the CRE, net GR would have to grow 16.2% over the next 3 months.

Additionally, the MO legislature is currently crafting the budget for the next fiscal year, which begins July 1st. The House based its budget on current revenue projections. It is unclear whether the Senate will do the same when it begins its hearings next week.

Without additional revenue, Missouri may be forced to make significant cuts to this or next year’s budgets. The Senate Appropriations Committee will meet at 8:30 a.m. daily from Tuesday to Friday this week in Room 117a. (NOTE the new meeting location).

SENATE DEBATES CHARTER SCHOOL EXPANSION

The Senate debated SS/SCS/SB 292 (Eigel) on April 2 for over eleven hours but did not bring the bill to a vote. The Senate appears likely to take the bill up again at some time next week or soon after. The bill would allow charter schools to be sponsored by outside entities (other than the local school board) and operate in other parts of the state.

LWVMO opposes SS/SCS/SB 292. As noted in previous legislative bulletins, LWVMO is opposed due to positions established after a state study. It is time to remind your legislator that expansion of charter schools should not be attempted until revisions of their guidelines are made.

INITIATIVE PETITION AND AMENDING THE CONSTITUTION

The Senate debated SS/SJR 1 (Sater) but did not bring the bill to a vote. The joint resolution pertains to signature requirements for initiative petitions. SJR 1 more than doubles the signature requirements by mandating that petitions to amend the Constitution be signed by 15% of the legal voters in each of all eight Congressional districts (rather than the current requirement of 8% each from six of the eight districts) and also requires a two-thirds majority for a petition measure to be adopted, except for a petition to repeal prior initiative petitions such as Amendment 1.

The House Elections and Elected Officials Committee voted to approve HCB 10 (Shaul). The HCB bill includes some of the provisions heard last week regarding initiative petitions. The HCB imposes a minimum \$350 refundable filing fee for an initiative petition plus \$25 per page over ten pages. The HCB also includes the provisions of HB 496 (McGaugh) to require the Secretary of State to establish the format for initiative petition signature pages and provide the forms in electronic format. The HCB does not contain a fee per signature requirement.

The House General Laws Committee was scheduled to hear HJR 51 (Plocher) on April 1 and then again on April 3, but the hearing was postponed both times. The HJR would, upon approval by a simple majority of voters, amend the constitution to say that any future constitutional amendments must be approved by at least a 60% supermajority.

LWVMO opposes all these measures that would make it harder and more costly for citizens to bring forward relevant policies through the initiative process.

CLEAN MISSOURI AND ETHICS IN GOVERNMENT

The House General Laws Committee heard HJR 46 (Christofanelli), HJR 47 (Trent) and HJR 57 (Pogue) on April 3. Each of the HJRs would significantly undermine the newly approved redistributing reforms approved by voters in Constitutional Amendment 1, also known as CLEAN Missouri.

LWVMO opposes these joint resolutions. LWVMO Board Members Evelyn Maddox and Nancy Copenhaver were present at the hearing and submitted testimony opposed to these attempts.

STATE DEMOGRAPHER

The House gave final approval to HB 973 (Trent) on April 1. The bill requires the nonpartisan state demographer to establish the Redistricting Public Comment Portal for the purpose of publicly accepting any comments, records, documents, maps, data files, communication, or information of any kind relating to the redistricting process. Any such submissions shall be accompanied by a disclosure that indicates whether the person making the submission was responsible in whole or in part for the submission or another person contributed money that was intended to fund preparation of the submission and, if so, the disclosure shall additionally identify each such contributor.

APPROVAL OF TAX ISSUES

The Senate Local Government Committee heard SJR 24 (Cierpiot) on April 3. The SJR would create a minimum voter turnout threshold for state and local tax increase elections. The joint resolution would nullify a state or local election to approve a new tax or increase an existing tax, even if it receives a qualifying majority of those voting in favor, if fewer than 22% of all qualified voters vote in the election.

This provision is unfair to those citizens who do participate in elections and serves to discourage citizens from participating in future elections if their past participation was nullified.

CONCEALED WEAPONS ON CAMPUS

The House gave first round approval to HB 575 (Dohrman) by a vote of 98-42. The bill would allow campuses to designate campus protection officers who are allowed to carry weapons on campus.

The House approved several amendments. Most notably, the House approved HA 6 (Taylor) to add the provisions of his HB 258.

This language would take away local control of college and university governing boards to regulate concealed weapons on campus and allow any person, including students and staff, with a concealed carry permit to carry concealed weapons on campus.