

**Missouri Budget Project Email Update**  
**April 24, 2009**

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**I. Appropriations Bills in Limbo- House Leadership Proposes *another* New Budget Bill**

The State Budget Bills have been stalled in the House due to an unrelated issue that the House and Senate have disagreements on. Meanwhile, the House Budget Chairman has filed another “special appropriations bill”, **House Bill 22 that would use \$1 Billion of the Federal Economic Recovery (Stimulus) funding for a temporary tax cut. Some critical points on this proposal:**

- Although the details of the plan have not been fully disclosed, based on media reports the average family would receive a “rebate” of \$25 per month - or approximately enough for a fast food meal for a family of four;
- What is at risk with this proposal, however, is significant. Congress specifically sent the economic recovery funds to the states in order to prevent cuts in critical services including health care, education, transportation and infrastructure during this difficult economic time. Without the use of this funding, Missouri will be facing a significant budget shortfall that could require large cuts to an array of services.;
- If lawmakers pursue this tax cut concept, Missouri will also be at risk of losing a significant portion of the federal dollars, because non of the major streams of federal money are actually permitted to be spent on tax cuts. Not one other state is considering this type of tax cut because it would place an increased burden on future budget years, deepening the budget shortfall in Missouri, and could lead to greater fiscal problems for the state.
- Missourians need a balanced approach to the state’s budget shortfall. It is critically important to ensure that funds are available for services like education, public safety, healthcare, transportation, and social services. These services are an investment in Missouri’s families and economy. They provide the infrastructure to foster a strong, growing and dynamic Missouri economy.

**Fortunately, media reports also indicate that Senate Leaders are skeptical of this proposal.**

Although the **Budget Conference Committee** meetings are not set yet, due to the bills being held up in the House, **the Senate has named its members of the Conference Committee:**

**Senators Nodler** [gary\\_nodler@senate.mo.gov](mailto:gary_nodler@senate.mo.gov)

**Mayer** [Rob.Mayer@senate.mo.gov](mailto:Rob.Mayer@senate.mo.gov)

**Rupp** [Scott.rupp@senate.mo.gov](mailto:Scott.rupp@senate.mo.gov)

**Bray** [jbray@senate.mo.gov](mailto:jbray@senate.mo.gov)

**Green** [timothy\\_green@senate.mo.gov](mailto:timothy_green@senate.mo.gov)

The MBP *expects (this is not official)* the following **House members** to be named to the committee:

Representatives Icet [Allen.Icet@house.mo.gov](mailto:Allen.Icet@house.mo.gov)  
Stream [rick.stream@house.mo.gov](mailto:rick.stream@house.mo.gov)  
Kiki Curls [shalonn.curls@house.mo.gov](mailto:shalonn.curls@house.mo.gov)  
Chris Kelly [Chris.Kelly@house.mo.gov](mailto:Chris.Kelly@house.mo.gov)

### What you can do this week on the Budget:

- Contact your State Representative and State Senator and tell them your priorities for the Budget
- Ask them *not* to use limited resources for one-time tax cuts, but instead to invest in the services that Missouri families & Missouri's economy need
- Then contact members of the Conference Committee (listed above) and tell them the same.

*A Summary of some of the most significant conference items is available on the MBP website at [www.mobudget.org](http://www.mobudget.org)*

## II. Good News on Unemployment Extension

The House Perfected House Bill 1075 on April 21<sup>st</sup>. An amendment was added to the bill that will allow Missourians who are facing extended unemployment to receive an additional 13 weeks of extended unemployment benefits. The benefits are **fully federally funded for the current year. More than 15,000 Missourians will benefit from this extension.** The amendment and bill passed unanimously from the house. The bill will move to the Senate.

## III. HJR 36: TABOR in Disguise *(Possible Hearing Wednesday 4/29 at 1 pm in Senate Committee Room 1)*

The House passed HJR 36 on Thursday, April 16<sup>th</sup>. The bill proposes a constitutional amendment that would eliminate Missouri's corporate and individual income taxes and replace it with a greatly expanded sales tax. The Missouri Budget Project opposes HJR 36 because of the variety of negative ramifications for Missouri families & Missouri's economy. The bill would result in a significant increase in the cost of living in Missouri, reduce state revenue for services by \$1.5 billion or even higher, or both. *An Analysis of HJR 36 is available on the MBP website at [www.mobudget.org](http://www.mobudget.org)* **The bill includes significant** The Senate may hold a hearing on HJR 36 as early as Wednesday 4/29 at 1 pm in the Senate Ways and Means Committee. This hearing is not yet confirmed, but the MBP will notify you as soon as it is.

### What you can do:

Contact Senate Ways & Means Committee members in opposition to HJR 36. Committee members include:

Senators Vogel [carl\\_vogel@senate.mo.gov](mailto:carl_vogel@senate.mo.gov)

Lembke [Jim.lembke@senate.mo.gov](mailto:Jim.lembke@senate.mo.gov)

Bartle [matt\\_bartle@senate.mo.gov](mailto:matt_bartle@senate.mo.gov)

Bray [jbray@senate.mo.gov](mailto:jbray@senate.mo.gov)

Lager [Brad.Lager@senate.mo.gov](mailto:Brad.Lager@senate.mo.gov)

Purgason [chuck.purgason@senate.mo.gov](mailto:chuck.purgason@senate.mo.gov)

Schmitt [Eric.schmitt@senate.mo.gov](mailto:Eric.schmitt@senate.mo.gov)

Wright-Jones [Robin.jones@senate.mo.gov](mailto:Robin.jones@senate.mo.gov)

## IV. New Reports Available on MBP's Website

Don't miss the new reports on the MBP website [www.mobudget.org](http://www.mobudget.org) including the following:

1. Fiscal Year 2010 Missouri Budget Bills Pass the Senate, Summary of the Major Conference Committee Items.

2. [HJR 36 Would Harm Missouri Families, Children, Seniors and Missouri's Economy. Proposal to Drastically Alter Missouri's Tax Structure Moves to Senate.](#)
3. [SB 306: The "Show-Me Health" Proposal Still Doesn't Fit Missouri's Health Care Needs.](#)

For more information regarding the issues in this update, please contact one of the MBP staff.

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