

**Missouri Budget Project E-News
State and Federal Policy Update
January 14, 2011**

State Issues

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1. Senate Appropriations Committee Hearings Scheduled Next Week

On Tuesday, 1/18/11, the Senate Appropriations Committee will take testimony on Social Services, Health & Senior Services and Mental Health, as well as Judiciary, Public Defender, Corrections and Public Safety. The committee will reconvene on Wednesday 1/19/11 at 8 a.m. to discuss K-12 Education, Transportation, and Economic Development & Revenue, and on Thursday 1/20/11 at 8 a.m. to discuss Higher Education, Conservation, Agriculture, and other departments.

Those interested in testifying are asked to contact the appropriations staff at 866-475-6083 or e-mail at public.testimony@senate.mo.gov by **TODAY, January 14, 2011**. All hearings are held in Senate Committee Room 2.

2. House Appropriations Departmental Overviews Begin

House Appropriations on Health, Mental Health and Social Services will begin meeting next week to receive overviews of spending within the three related departments. The committee meets on Tuesday 1/18/11 at 2:00 p.m. to receive a Department of Mental Health overview. The committee reconvenes on Wednesday 1/19/11 at 2:00 p.m. to receive a Department of Social Services overview, and on Thursday 1/20/11 at 8:00 a.m. for a Department of Health & Senior Services overview. All hearings are held in House Hearing Room 5.

3. Reminder – State of the State Address Scheduled for Wednesday

Governor Nixon will deliver the annual state of the state address on Wednesday, January 19th at 7 p.m. In the address, which will be streamed live at www.MO.gov, the Governor will release his budget and legislative priorities for the year.

4. Rebooting State Government Hearings Continue

The Senate Committees on Rebooting State Government began meeting this week to discuss suggestions for changes to state services and/or departments that were identified in 2010. The suggestions are available on the following link.

<http://www.senate.mo.gov/RebootMO/RebootMOMain.html>

The Senate Committee discussed some of these recommendations this week, including suggestions to move more populations insured by Medicaid into managed care plans, consolidating state departments, charging for licensure services provided by the Department of Health & Senior Services, etc. The committee did not endorse these recommendations, but simply outlined them.

The Senate Committee on Rebooting State Government will continue the discussion on Wednesday 1/19/11 at 11:00 a.m. in Senate Committee Room 1. At that time, the Committee plans to have a presentation of the recommendations.

5. Mayer, Tilley Welcome Colleagues

As we reported last week, the state legislature began its work on January 5th. Incoming Senate President Pro Tem Rob Mayer and incoming Speaker of the House Kevin Tilley welcomed their respective bodies in opening speeches. Their addresses shared many common themes, including education and job creation.

President Pro Tem Mayer discussed the severe budget challenges facing the state, noting that revenue collections are barely above their levels in FY 2005. He proposed three solutions to addressing the budget problems: getting people to work in quality jobs; ensuring an educated workforce; and reducing the size and scope of government. Within these general areas, he proposed several policies, including lawsuit reform, right to work legislation, and the rebooting government initiative.

Speaker Tilley noted several procedural differences that have occurred under his leadership, including the nomination of committee chairs in advance of legislative session and allowing the minority leader to appoint members to committees. He also introduced his “Show Me Solutions Initiative,” in which he outlined five priorities: government “living within its means;” facilitating a business climate that encourages entrepreneurship by limiting lawsuits and imposing a moratorium on new regulations, fees, and taxes on small business; requiring more accountability from government, including working with other states to challenge federal policies; examining education policy by passing teacher tenure reform; and using the free market to address health care.

Unfortunately, neither leader addressed the other side of the budgetary equation – that of revenue. While the state has repeatedly cut critical core services, it has not addressed ongoing structural problems that prevent our state from maintaining services that benefit all Missourians and which make economic growth possible. Missouri’s infrastructure and these services provide the foundation upon which a strong economy is built.

To read the full opening addresses, visit:

<http://www.senate.mo.gov/flashshow/images/ImageLinks/Mayer-OpeningDaySpeech-010511.pdf>

<http://house.mo.gov/content.aspx?info=/bills111/speakersspeech.htm>