

**Missouri Budget Project E-News
January 30, 2010**

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1. Join us at one of these Upcoming Forums on the State Budget and Critical Revenue Issues

Columbia Presentation: Missouri Budget Project & the Show-Me Institute

A Panel on Missouri's Taxes: Monday, February 1, 2010:

Speakers: Ms. Amy Blouin, Dr. Ed Robb and Dr. Jeff Milyo

When: Monday, February 1, 2010

Time: Noon until 1:30 p.m.

Where: Room 208A, Reynolds Alumni Center, University of Missouri–Columbia

Parking: Meters on the street, and in the Turner Parking Garage

Lunch Provided

Price: \$20 for the general public, \$15 for Show-Me Institute members, or \$10 for students

St. Louis Budget Forum Friday, February 5, 2010:

The Nonprofit Services Center is presenting a Budget Forum on Friday, February 5, 2010 at the Donald Danforth Plant Science Center, 975 Warson Road, St. Louis 63132

When: 8:30-10 AM panel with Ron Levy (Dept of Social Services), Margaret Donnelly (Dept of Health and Senior Services), Ann Perry (Dept of Economic Development), Representative Rachel Storch, Senator Eric Schmitt. Dr. James Kimmey (Missouri Foundation for Health) will moderate the discussion.

10:15 to 11:45 AM- Presentation on the budget by Amy Blouin and panel discussion on becoming an advocate moderated by Cande Iveson.

*There is no cost, but space is limited and registration is required. www.nonprofitservices.org. 866-433-9580

Springfield: Forum on the State Budget & Critical Revenue Issues with the Missouri Budget Project

When: Monday, February 8, 2010 6:30 – 8 p.m.

Where: Southwest Center for Independent Living

2864 South Nettleton Avenue, Springfield, MO

Dinner will be Provided

**The Forum is Free but registration is recommended to ensure enough refreshments and materials. Please email Cande Iveson at civeson@policyworks.biz to confirm your attendance.

2. Hearing Update on the Mega Sales Tax Bills

The Missouri State Senate's Governmental Accountability and Fiscal Oversight Committee held a hearing on Thursday, January 28th on SJR 29 (Purgason) and SJR 37 (Ridgeway). The bills propose a constitutional amendment to eliminate individual and corporate income taxes and replace them with a greatly expanded sales tax (**the most recent MBP analysis indicates that the sales tax would need to increase to 11 percent to cover the costs in the bill**). Most goods and services, including those not currently taxed, would be eligible for the newly increased sales tax, including child care, nursing home care, food and prescription drugs, and rent and housing, among many others. This change would lead to a significant tax increase on low and middle income Missourians and would place a heavy burden on Missouri's economy. For More information on the proposal see the MBP Fact Sheets at: http://www.mobudget.org/state_tax.html and the ITEP (Institute on Taxation and Economic Policy) Testimony at <http://www.itepnet.org/motest0110.pdf>

Because of the dire consequences these proposals would have for Missouri families and the economy, opponents represent diverse sectors and are increasing. Organizations testifying against the measures at the hearing this week included James R. Moody and Associates, the Missouri Budget Project, the Missouri Association of Realtors,

Catholic Charities of St. Louis, the Missouri Retailers Association, Partnership for Children. Due to time constraints, many additional organizations submitted written testimony opposing the measures including the AARP, the Missouri Association for Social Welfare, the Missouri Petroleum Marketers and Convenience Store Association, and others.

It is critically important for state lawmakers to hear from constituents who oppose this measure. Please contact your state senator and state legislator to voice your opinion. Please contact the Missouri Budget Project if we can assist you.

3. Hearing Update on Health Care Bills

Hearings were held this week in the Missouri House and Senate on constitutional amendment proposals related to Missouri opting out of federal health care reform.

The House Special Committee on General Laws heard HJR 48, 50 and 52 (Representatives Davis, Ervin and Tim Jones) which propose a constitutional amendment prohibiting any person, employer, or health care provider from being compelled to participate in any health care system. The Senate Government Accountability and Fiscal Oversight Committee heard SJR 25 (Senator Cunningham) which proposes a similar constitutional amendment. In addition, the Senate General Laws Committee heard SJR 23 (Ridgeway) which prohibits local Missouri governments from receiving state funding if they provide health insurance to its employees through a public health insurance option plan.

The Missouri Budget Project is very concerned that these proposals would significantly undermine the great benefit of federal health care reform for Missouri families and businesses. For more information on the impact of federal health care reform on Missourians see: http://www.mobudget.org/health_care.html

4. TABOR Bills Filed in Missouri

Once again, proposals to create a constitutional amendment (referred to as TABOR) have been filed in Missouri. HJR 87 (Representative Ictet) and SJR 35 (Senator Lager) would create a new constitutional provision to severely limit state revenue and appropriations. The limits are proven to have dire consequences in Colorado, the only state that has a TABOR requirement. The MBP will continue to monitor and update you on movement of these proposals.

5. Extension of Emergency Unemployment

Representative Fisher has proposed HB 1544 to extend Missouri's ability to receive federal extended unemployment benefit money to provide unemployed individuals compensation beyond the current unemployment benefit period. This very positive bill is similar to action taken by the Representative in the 2009 Legislative Session. The Missouri Budget Project commends Representative Fisher for his continued leadership on this critical issue.

6. State Budget Hearings Coming this Week and More Budget Information

The Missouri Budget Project is continuing to analyze the state budget proposals. However, in the meantime we have received information from one of our advocacy partners (Paraquad) about a proposed cut in the Department of Health & Senior Services Budget that would have significant negative consequences for seniors and people with disabilities. The Governor's Budget has called for a cap of 60 hours per month for the Consumer Directed Services (CDS) attendant program. This arbitrary amount would negatively impact the ability of Missourians who rely on CDS to remain independent and may result in increased need for nursing home care.

The MBP will provide further detail on the impact of the proposed cuts within the budget proposals as soon as it becomes available. The Senate and House Committees responsible for reviewing and amending the governor's budget proposal continue their committee meetings this week:

Senate-Appropriations Committee Meetings:

Monday, 2/01/10, 12:30 PM, SCR 2: Department of Elementary & Secondary Education

Tuesday, 2/02/10, 8:00 AM, SCR 2: Department of Higher Education

Wednesday, 2/03/10, 8:00 AM, SCR 2: MO HealthNet Comprehensive Review

House-App-Health, Mental and Social Services Committee Meetings:

Monday, 2/01/10, 12:00 PM, HR 5: Department FY 2011 Budget Presentation

Tuesday, 2/02/10, 2:00 PM, HR 5: Department FY 2011 Budget Presentation

Wednesday, 2/03/10, 2:00 PM, HR 5: Cost containment report for MO HealthNet

Thursday, 2/04/10, 8:00 AM, HR 5: Department FY 2011 Budget Presentation