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*For Immediate Release:  
February 13, 2013*

## **TABOR Proposal a Proven Failure** *Failed Gimmick Would Threaten Missouri Economy*

Tomorrow, the Senate Ways & Means Committee will consider SJR2, a proposal that would force permanent cuts to K-12 education, higher education, public safety and corrections, health care and other key services that support Missouri's economy and quality of life. The proposal, called TABOR after a similar ill-fated measure in Colorado, would impose a rigid formula intended to limit growth in state spending.

"TABOR is a proven failure," said Amy Blouin, Executive Director of the Missouri Budget Project. "In Colorado, it caused deep cuts in services like education, stalled economic recovery, and was eventually suspended."

If currently in effect, the revised consensus revenue estimate for the current year would exceed the TABOR formula, requiring an \$87 million cut to state services like education, public safety, and transportation – even as the state has yet to achieve pre-recession levels of funding for basic government services.

"The state is already failing to meet its commitments for K-12 education, and tuition at state universities has skyrocketed as a result of reduced state investment," said Blouin. "Businesses look for quality education and infrastructure in deciding where to expand or locate, and TABOR would further reduce our ability to invest in education or transportation, making it harder to attract businesses to the state."

Moreover, the proposal would likely lead to cost-shifting as local governments increase property and sales taxes in an effort to educate children and keep communities safe. Strict spending limits would also threaten Missouri's credit rating, increasing state borrowing costs.

"If policymakers are serious about improving the business climate in Missouri, instead of wasting time on a failed gimmick like TABOR, they should focus on improving our investments in the services that build the foundation for future economic growth," said Blouin.

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