



2010

masw

legislative update



April 30, 2010

2011 Budget Passed – Worse Yet to Come

Legislature Sends 2011 Budget to Governor, More Cuts Likely

Of all the [legislative speeches](#) made during the process of enacting the state budget, perhaps [House Minority Leader Paul LeVota](#) said it best.

“The continuing budget crisis is a manmade disaster created by the General Assembly. Years of generous tax breaks for the well-connected have eroded Missouri’s tax base to the point where it can no longer pay the bills for basic state services... Leaders in the General Assembly chose to ignore this reality, and the people of Missouri will suffer for it.”

For the fiscal year that starts this July 1, the legislature approved a budget that is \$484 million less than proposed by [Gov. Jay Nixon](#) in January.

However, Nixon himself had asked lawmakers to take \$500 million off his initial plan, due to the relentlessly inadequate amount of funds taken in by the state each month – in the range 15% less than projected, and the projections were already for less state revenue than in 2009!

[Continued on page 2...](#)

Latest Anti-Immigrant Proposal Heard in House Committee

[HB 2449](#), entitled “Creates various crimes for trafficking, concealing, harboring, sheltering, or transporting illegal aliens,” was heard by the House Committee on International Trade & Immigration this week.

MASW submitted the following testimony:

We share the frustration of the sponsors of HB 2449, and those of you on this committee, that our elected representatives in Washington, DC, have failed to enact comprehensive reform of our national immigration laws. The question of U.S. citizenship is, after all, a federal issue, and it is the failure of the federal government to address it that brings forth state legislation like HB 2449.

However valid the frustration, we oppose HB 2449. There are many reasons to do so, but here I will mention two.

First, throughout our 110 year history, MASW has adopted as its own the state’s official motto, “Salus populi suprema lex esto” (The welfare of the people shall be the supreme law). We do not take that to mean the welfare only of people who look like us, or speak with the same accent as us.

Second, HB 2449 says to those of us descended from people who came to America to make a better life for themselves and their families, that it is now a crime to help people who have come to America to make a better life for themselves and their families.

MASW opposes HB 2449.

2011 Budget **CONTINUED FROM PAGE 1...**

In addition to state tax collections being far below projections, Nixon had relied on some \$300 million in special assistance money from the federal government in preparing his 2011 budget. Now it seems that money is unlikely to come.

This means the Governor will likely line-item veto \$16 million from the budget the legislature is sending him.

Keep in mind he has already withheld nearly one billion dollars during Fiscal Year 2010 from the budget approved last year. By July 1, 2010, more than 2,000 state jobs will have been eliminated.

Vital services, needed to preserve health and even life, will be denied to Missourians who have no means to procure these services without state assistance.

It gets worse. Because federal stimulus funds will be totally expended, and tax revenue is unlikely to bounce back to pre-recession levels any time soon, the state of Missouri will be nearly TWO BILLION DOLLARS SHORT in 2012.

Meantime, some of the “money saving” concepts built into the 2011 budget, like stealing paid holidays from state employees, have not yet been enacted into law. Legislators have two weeks to complete that larceny.

Our state employees are the lowest paid among the 50 states. And the lowest paid of all work in our prisons, hospitals, and other 24/7 facilities. In our name, our legislators are going to take away the few extra dollars these folks get for overtime working on the Truman and Lincoln holidays.

You know, rather than make millionaires pay higher taxes.

World’s Biggest Sales Tax Debated Again on Senate Floor

[SS SCS SJR 29](#) was taken from the Informal Calendar and debated for an hour or so this week in the Senate.

This particular brand of snake oil promises these too-good-to-be-true results:

- All the messy income taxes go away
- Businesses pay NO TAXES at all
- Everybody else pays less taxes
- The state collects the same revenue
- Zillions of jobs are created

Experts who testified in favor of this earlier in the year cited the “economic miracle” of Tennessee. While that state’s tax structure IS NOT what is proposed in SJR 29, there is no personal income tax there, and they have high sales and property taxes.

These experts talked about the income tax in Missouri “kills jobs” while the lack of same in Tennessee creates jobs.

11% -- that was Tennessee’s unemployment rate at the end of 2009, and it has remained over 10.5% this year.

9.5% -- that is Missouri’s unemployment rate. It is far too high, of course, but it is better than “miraculous” Tennessee.

One of the other beautiful elements of SJR 29, according to its backers, is that, unlike the income tax, there would be NO EXEMPTIONS.

You know, other than the one exemption where businesses don’t pay any taxes.

In an effort to buy off potential opponents, the measure has, of course, been loaded up with exemptions. This week, they debated adding an exemption for guns and ammo.

[FIGHT THE INSANITY – JOIN MASW NOW](#)