



MASW



Legislative Update 2009

End of Session Wrap-Up: May 20, 2009

MASW Priority: Economic Justice/Quality Healthcare Quality Jobs Act Expansion Passes

MASW supported creation of the Quality Jobs tax credit in 2005 despite reservations about tax credits as an efficient, effective and equitable means of making the welfare of the people the supreme law. We supported it because businesses could only obtain this benefit from the state if they created new jobs with above-average wages and provided healthcare benefits.

We supported the expansion of the Quality Jobs program in 2009 because it continues to be consistent with our commitment to a living wage for all who are willing and able to work, and our commitment to quality healthcare for all. A top priority for [Governor Jay Nixon](#), House [Speaker Ron Richard](#) and Senate [President Pro-Tem Charlie Shields](#), the bill, passed on the last day of the legislative sessions, was among the few positive achievements for lawmakers this year.

And yet, as one would reasonably predict, given the rather odd mix-and-match approach voters in our state took last year in electing policy-makers, even in this positive bill ([SS#2 SCS HCS HB 191](#)) are some steps backward.

While some provisions of the bill attempt to reign in aspects of the out-of-control state welfare system for the powerful and well-connected (a.k.a. tax credits), other provisions create more entitlements for the already well-off. The bill eliminates the corporate franchise tax for many businesses, in a state that already has one of the very lowest corporate tax burdens among the 50 states. And it reduces opportunities for the Family Development Account program.

2009 Policy Priorities – How We Did

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Salus Populi Suprema Lex Esto

MASW Priority: Quality Healthcare

“All people in Missouri should have access to affordable, quality health care, including mental health services, starting with those who lost coverage due to changes made in the state Medicaid/MOHealthNet program in recent years, and through increasing state support for nutrition assistance programs. These services are basic elements of the common good for all people in our state, and the state should revise its tax code to provide adequate revenue to support the common good.” – 2009 Policy Priorities adopted by MASW members

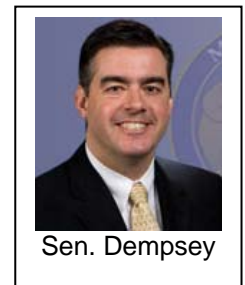
Food Stamp Supplement Sacrificed in Last-Minute Attempt for Partial Restoration of Medicaid Cuts



[HB 156](#) was a simple bill to provide a state supplement to the federal Food Stamp program; for low-income seniors, the federal minimum monthly benefit of \$14 would, in effect, be raised to \$30 with state money making up the difference. Sponsored by [Rep. Bob Nance](#), the bill passed overwhelmingly in the House, was voted “Do Pass” by the Senate committee to which it had been assigned, and came up for consideration on the Senate floor the morning of the final day of the 2009 legislative session.

However, the Senate was still looking for a way to enact a compromise version of [Gov. Nixon’s plan](#) to partially restore the Medicaid cuts of 2005, and HB 156 was the about the last House Bill in the Senate that related to government assistance for health. (MASW’s 2009 Policy Priorities document advocates “increasing state support for nutrition assistance programs” as part of our “Quality Healthcare” priority, so we can’t really argue with the Senate’s logic in linking the two.)

[Sen. Tom Dempsey](#) offered another version of what had been his [SB 306](#) as a substitute for HB 156. His bill would use the Nixon plan for funding, which is \$50 million or so from the hospitals, paid by them from funds they would expend anyway on care for people who have no means to pay their medical bills, and more than \$90 million in federal Medicaid matching funds. But the bill would require low-income people to pay into “health savings accounts” that they cannot afford.



This compromise was then passed by the Senate on a 30 – 4 vote. The debate on the Senate floor indicated that the original state supplement for food stamps language of HB 156 was incorporated into the substitute, and on that basis both the House and the Senate passed that provision. However, the official summary of SS HB 156 on the state’s website does not include the food stamp language. In either case, since the House refused to take up the version of HB 156 sent back to them by the Senate, the bill died when session ended.

So in the end, the General Assembly adopted a state budget (on May 7) that would use the \$50 million in hospital fees and \$90 million in federal money contingent on passing a bill (like SB 306 or SS HB 156) to set up a program to use the money, and then failed to pass such a bill. It would have been simpler to just put the money into Medicaid, but that idea was voted down.

MASW Priority: Decent Housing

“All people in Missouri should have access to affordable, decent housing, as well as access to services such as temporary and emergency shelter when the need arises. Increasing revenue for the Missouri Housing Trust Fund will ensure greater availability of affordable housing and of homelessness services. The state should protect people from predatory lending practices that put their homes at risk, and should increase opportunities for people to earn their way out of poverty.” – 2009 Policy Priorities adopted by MASW members

Some protection from unscrupulous and predatory mortgage lending practices should result from enactment of [HCS HB 382](#), the Missouri Secure and Fair Enforcement for Mortgage Licensing and Residential Mortgage Brokers Licensing Act. Renters will be better protected when their landlords enter foreclosure due to enactment of [SCS HCS HB 836 & 753](#).



MASW and our allies in the [Coalition for the Missouri Housing Trust Fund](#) made more progress this year than in recent years regarding an increase in the recording fee that provides revenue for the MHTF. [SB 268](#), sponsored by [Sen. Jolie Justus](#), would have increased the MHTF portion of the fee by \$6 – and the bill had a hearing in the [Senate Progress & Development Committee](#). [HB 1020](#) would have provided a \$3 increase. Sponsored by [Rep. Scott Lipke](#), a member of the majority party, this was the first time a fee increase for the MHTF has been introduced in the House in several years.

Sen. Justus offered a \$2 increase that would expire in 2 years, as an amendment to [SS SCS HB 376](#), a bill dealing with many local government issues. Since the fee is collected in each county by the Recorder of Deeds, a local government office, the amendment “fit” the bill. Her amendment was adopted on a voice vote, and when the amended version of HB 376 was third read on May 4 by a vote of 32 – 0, it marked the first time the Senate had voted for an increase in the MHTF fee in many years!

In the conference committee to work out the differences between the original House version, and the much longer, amendment-packed Senate version, Sen. Justus insisted on a MHTF fee increase, but had to compromise. Eventually, she agreed to just 50 cents for one year. Just to get some kind of increase.

When CCS SS SCS HB 376 came to the House floor, the debate showed that many issues that had been added in the Senate were controversial in the House, not just the MHTF fee. In the end, several Representatives who support the MHTF fee increase voted against the bill because of numerous other problems with it. The final vote was 46 – 108.

While we came up short, we made much progress and have real cause for a major push for the MHTF fee increase in 2010.

St. Louis *Post-Dispatch* Explains 2009 Session

In its Sunday (5/17) edition, the St. Louis *Post-Dispatch* [editorial](#) began with the alternate translation of the state motto, which is also MASW’s credo, and explained as clearly as anything I have read the outcomes of the 2009 legislative session and the causes thereof. [Link to read it.](#)

Salus Populi Suprema Lex Esto

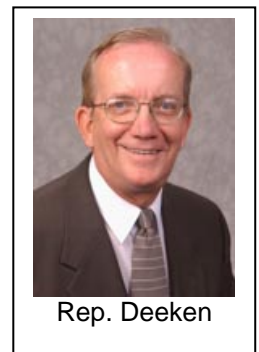
MASW Priority: Fair Treatment

“All people in Missouri should be treated with dignity and fairness. It is a fundamental element of the common good to extend a helping hand to those who are too often made to feel unwelcome – those subjected to discrimination, those re-entering society from the corrections system, and those who were born in other nations. The state should protect all people from exploitation and injustice, and teach children in our schools how to value others and resolve differences through non-violent means.” – 2009 Policy Priorities adopted by MASW members

Those advocating for a moratorium on the death penalty – including MASW and our allies in the [Moratorium Now! Campaign](#) – succeeded in bringing the issue farther in the legislative process than ever before. [Rep. Bill Deeken’s HB 484](#) was heard in the [House Public Safety Committee](#); while that was a “repeat performance” from prior years, the hearing for [Sen. Rita Days’ SB 321](#) in the [Senate Progress & Development Committee](#) was a first.

And for the first time, a version of the bill was voted “Do Pass” by committees in both the Senate and House. Unfortunately, the versions that came out of committee were, in one sense, “the moratorium bill without the moratorium.” On the other hand, the blue ribbon panel to systematically examine the death penalty in Missouri was what remained in the bill, and establishing such a panel would be a significant advance for the cause of true criminal justice and fair treatment.

In the House, Rep. Deeken offered the full moratorium & study panel bill as an amendment to [HCS SB 26](#), a bill dealing with various provisions of the criminal justice statutes. After an emotional but respectful debate, in which several members of both parties expressed support for the moratorium – but also members who had lost loved ones in murder cases spoke against the amendment – the House voted to remove the moratorium part of Deeken’s proposal on a vote of 95 – 64.



However, in a significant victory for MASW and our allies, the House then voted in favor of the death penalty study panel 127 – 31.

But even the study panel was too much for the death hawks in the Senate. When Sen. Days had the “study panel only” version of her bill on the Senate Floor in April, opponents made it clear that they viewed this as just a first step to abolish the death penalty. Since they do not want to abolish the death penalty, they will oppose the study panel. And so they did not even take up HCS SB 26, the omnibus criminal justice bill with Rep. Deeken’s death penalty study panel attached as an amendment – on the last day the original SB 26 was passed.

The Public Defender system, which MASW helped create, is in crisis because of chronic underfunding. In this one narrow instance, the legislature abandoned its usual appeal to the literally impossible “doing more with less,” and adopted the more truthful approach, “doing **less** with less.” Rather than come up with more revenue for the Public Defender system, lawmakers passed [SCS SB 37](#), which authorizes public defenders to turn down indigent persons charged with crimes under certain circumstances, in an effort to reduce caseloads.

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Most of the other good news regarding our Fair Treatment priority consists of truly bad ideas that did not end up passing. After much effort to get it to the House floor, the sponsors of [HCS HJR 9](#), the voter photo I.D. bill, just let it die on the House calendar, without even attempting a vote to send it to the Senate. The measure, if enacted, would have raised the hassle factor for some 200,000 legally registered Missouri voters who do not have a driver's license, and in some cases raise an impossible barrier to them exercising their constitutional right to vote.

Two bills that were designed to limit the ability of the Missouri Commission on Human Rights to investigate complaints of discrimination and limit its enforcement tools, and most likely would have jeopardized its federal funding – HB's [799](#) and [227](#) – were voted “Do Pass” by the House committee but died without ever coming to a vote of the full House.

For those Missourians whose lives are one hardship after another, it is really not necessary for state government to create additional hardships. And yet, bills like [SB 73](#) and [HB 30](#), to test TANF recipients for the presence of illegal substances in their bodily fluids, and [HB 42](#), to make the meager TANF benefits even harder for people to obtain, are introduced every year. And every year, MASW is there to testify against them. Again this year, these bills were not passed.

MASW Priority: Economic Justice

MASW's unique niche among advocacy organizations in our state is that we often examine and advocate around the nexus of public policy issues; perhaps most important is the nexus of adequate revenue for state programs and the fairness of the tax system designed to produce that revenue; the ability of working people to earn a living wage and the responsibility of corporations and well-off individuals to pay their fair share of the cost of the common good.

For the last several years, for-profit utility monopolies have gotten just about everything they have wanted from the General Assembly. Changes made in the law over that time have resulted in a 13% increase in electric rates for customers of [AmerenUE](#), the largest electric utility in the state, and several additional surcharges on bills for gas and water as well. Telephone companies are now virtually unregulated.

So when AmerenUE announced at the beginning of this legislative session that the [legislature would repeal](#) the 33-year-old voter-enacted law that prevents utilities from charging for electric plants until they are actually built and producing electricity, most observers believed it was a “done deal.” Ameren and its fellow monopolies, acting through their trade association [MEDA](#), hired dozens of additional lobbyists and even political consultants (to mobilize labor and minority community support).

But MASW opposed this from an economic justice stand-point: low-income households already spend a much higher percentage of their money on utility bills than most of the rest of us, and an across the board increase – imposed to ease the burden on the wealthy corporate and financial institutions and individuals who ought to be financing the construction – would devastate people who already spend every last dime for necessities.

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[AARP](#) had the same concerns regarding its members. And [environmental groups](#) opposed the bill on several grounds. [Large industrial customers](#) of the electric company – manufacturers, brewers, smelters, etc. – opposed the bill because higher electric rates make them less competitive and could force them to lay off workers or close plants.

Then all of us opposed to the bill started explaining its many injustices and other problems to the public, the media, and to legislators. At the end of the day – or, actually, about three weeks before the end of the legislative session – AmerenUE announced it would no longer pursue the changes in the law. Thus died the Construction Work In Progress (CWIP) bill.



While, as in the case of CWIP, most of what we achieved in 2009 on the Economic Justice front was preventing the passage of horrid legislation, there was actually good utility-related legislation that passed. [SS SCS SB 376](#), introduced by [Sen. Brad Lager](#), creates the Missouri Energy Efficiency Investment Act. MASW supported it because, among other provisions, it would empower the [Public Service Commission](#) to approved plans from utilities to provide help to low-income households to save money on their utility bills – newer, more efficient appliances, and so on. This bill only needs Gov. Nixon’s signature to become law.

In 2006, MASW was part of a coalition that urged voters to enact an increase in the state minimum wage, and the voters overwhelmingly approved that. In 2007, in 2008, and again this year, legislators have proposed bills to repeal at least some part of the people’s decision to move at least in the direction of a living wage. This year it was [HB 258](#), which would have taken the wage increase away from waiters, waitresses and other tipped employees. It passed the House, but proved too controversial when taken up in the Senate, so it died there.

Two of our Economic Justice priority bills were given committee hearings this year, which put us ahead of where we were in recent years. [SB 105](#), sponsored by [Sen. Jolie Justus](#), would have created a state version of the federal Earned Income Tax Credit, a real boon to low-income working people. It was heard in Senate committee, but went no further.

[HB 567](#), sponsored by [Rep. Jeanette Mott Oxford](#), would enact major tax reforms advocated by Tax Justice for a Healthy Missouri (TJHMO), a coalition of which MASW is a founding member. Lower taxes for the 60% of Missourians closer to the bottom of the income scale, a fairer share paid by the 40% closer to the top, and more than \$1 billion in additional state revenue to plug the holes in our safety net and fund vital albeit chronically underfunded state services. It was heard in the [House Committee on Tax Reform](#), but went no further.



Instead, that committee decided to roll the dice on the radical so-called “[Fair Tax](#)” plan embodied in [HB 318](#), [HB 814](#), and [HJR 36](#). All state income taxes would be repealed, with the hope that the lost revenue would be replaced by increasing both the rate and the base of the state sales tax. Our estimates are that state and local sales tax combined would be over 12% in many parts of the state under this proposal, and that tax would be levied on groceries, prescription medications, doctor visits, hair cuts, car repairs, and all other services not currently taxed.

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HJR 36 passed in the House, but did not move out of committee in the Senate. Business and professional groups, who had not participated in the House committee hearing, joined MASW and other tax justice advocates in opposing the bill in Senate committee, and it died.

Another terrible proposed constitutional amendment passed in the House – [HJR 23](#) – also died in the [Senate Ways & Means Committee](#), after it was given all the consideration it merits, which is to say none. A sort of “Hancock Amendment on Steroids,” HJR 23 was the latest version of TABOR (the slickly-named Taxpayer Bill Of Rights). It would impose, on a state already at the bottom of the 50 states in any ranking regarding money collected in taxes or spent on the public good, continually constricting tax and spending limits.

The House passed HJR 23, but the sponsor did not show up for its scheduled hearing in the Senate Ways & Means Committee, and that was the end of that.

The [2010 State Budget](#) contains hundreds of millions of dollars in federal stimulus funds, without which cuts in vital state services would have been even more severe. In general, the Senate pushed the House into using more of these federal funds. The House was prepared to scatter one billion dollars in federal stimulus money in a two-year tax cut that most of us would not even have noticed, so small would have been our share.

Employees of the state of Missouri, whose average pay ranks 50th out of 50 states, have no across-the-board cost-of-living increase in pay for the 2010 budget.

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