



# MISSOURI SENATE

JEFFERSON CITY

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## **\*\*\*STATEMENT\*\*\***

### **Sen. Crowell Disagrees with Governor Nixon's Call for More Tax Credits at Cape Girardeau Visit** *Missouri First; try Missouri Education Last*

I welcome Governor Nixon to Cape Girardeau today and believe his visit on job creation is the central issue for Missouri. In that, I support the Governor's call for \$12 million in job training at Missouri's community colleges but believe his continued appeal for more tax credits and a new tax diversion program are completely wrong for Missourians.

Last year, the Governor and leaders of the General Assembly claimed, just as they do now, that if legislators passed House Bill 191, which contained similar tax credits currently being proposed, thousands of Missouri jobs would be created. However, months after passage, the Department of Economic Development cannot point to one single job that was created because of House Bill 191.

History has shown, when tax credits and tax diversions are given to developers and big business, it will not grow Missouri's economy. This economic development plan copies Washington D.C.'s stimulus plan and that simply does not work. The Governor's proposed tax credits are the same type of bailouts as the federal government's TARP bailouts and AIG. It does nothing to help small businesses, which make up over 70 percent of Missouri's employers. Instead, these tax credits will actually raise the tax burden on small businesses in order to pay for the bailouts.

An honest discussion of economic development and bringing jobs to the state of Missouri will start by putting Missouri back in line with our competing border states. This means passing right to work legislation and addressing Missouri's higher than national average minimum wage, all of which leads to jobs moving from Missouri.

In addition to the failure of these tax credits to actually provide and/or create jobs, it is completely wrong for the Governor to also call for cuts to higher education funding. Since taking office, Governor Nixon has withheld transportation funding to Southeast Missouri schools at the same time he approved \$25 million in tax credits to the Kansas City Chiefs and another \$19 million in tax credits for land assemblage. Now he is asking for more than \$50 million in cuts to higher education while traveling the state handing out more tax credits to big businesses, professional sports teams, and developers. I cannot support this Washington D.C. type bailout direction. Why is education funding being put last in the state's priorities? It is not really Missouri First; try Missouri Education Last.

In order to truly hold tax credits accountable to economic growth and in line with Missouri's priorities, they all need to be subject to the appropriations process. Tax credits should be treated like every other state expenditure in order to weigh the benefit of a tax dollar spent on a tax credit against Missouri's other state services. Making tax credits subject to appropriations provides greater accountability and oversight to the tax credit process. It can also provide greater flexibility and options with Missouri's available revenue, allowing the legislature to review the best use of every tax dollar; making every dollar count.

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