



Senator

Eric Schmitt

Capitol Report
District 15



INSIDE:

Regulatory Reform

Budget Recap

No-Call List Now Includes Cell Phones

Budget Recap

One of the most important things we do every year—and the only thing we’re required to do—is pass a state budget. It has not been easy in recent years. The economic recession has resulted in decreased revenue, and because of federal mandates, we have fewer and fewer state general revenue dollars for the Legislature to appropriate. At the same time, we are spending record amounts on social services. Medicaid alone accounted for \$1.8 billion of general revenue appropriations.

These factors make passing a balanced budget difficult, but all the more necessary. Many states claim to pass a balanced budget; not a lot do. Missouri, however, has consistently taken the path of fiscal responsibility. We’ve looked at these lean years as an opportunity to re-evaluate our priorities. Sometimes, it required making very hard decisions to do what’s best for the state and its citizens. These choices, though, are why Missouri is on relatively stable fiscal ground. We’ve kept our AAA bond rating, a claim only a handful of other states can still make.

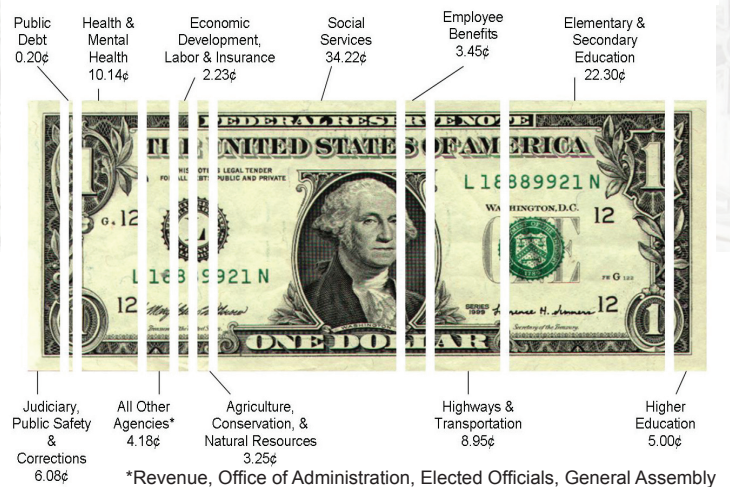
This year’s budget totaled more than \$24 billion, of which around \$8 billion came from general revenue. The budget approved by the General Assembly was about \$50 million less than the governor’s recommendation.

We made education a top priority. We restored around \$69 million in funding the governor cut in his recommended budget, keeping that funding level with the prior year. We were also able to give a small increase to the K-12 education foundation formula.

Other highlights include:

- **\$15 million for the Parents as Teachers Program**
- **\$6.5 million for regional autism projects**
- **\$33 million for the A+ Schools Program**
- **\$99.8 million for K-12 transportation**

Distribution of Each Tax Dollar



Education

Hold Harmless Schools

This year, I continued to fight against efforts in the Legislature to balance the state budget on the backs of hold harmless school districts, like Kirkwood, Parkway, and the St. Louis Special School districts.

There have been a number of recent proposals to shift money away from hold harmless districts—violating the original agreement that prevented these school districts from receiving additional state funding through the years—and use those dollars to shore up the foundation formula.

I believe this is a short-sighted solution, a Band-Aid on a much larger problem. We need to take a broader look at how we’re funding all of our schools, and assess what’s the best way to guarantee a quality education for every Missouri child. I will continue to work toward ensuring every school district gets its fair share of funding and is treated equitably.

Turner Fix Update

The 2010 court ruling on *Turner v. Clayton* posed numerous challenges for St. Louis area schools. The decision effectively stripped our schools from having local control over the number of nonresident students that can enroll.

While the Legislature was attempting to deal with the impact of the Turner decision, a St. Louis County circuit judge ruled that the state law the Turner case interpreted violated the Missouri Constitution by imposing an unfunded mandate on local schools. It is likely that the high court will weigh in on this matter soon for a final adjudication.

Meanwhile, every child, regardless of what zip code he or she lives in, deserves a world-class education. But, we also have to recognize that local taxpayers here in St. Louis County fund their schools at a much higher rate, at around 90 percent of the costs of educating a child. Forcing those districts to build more buildings and hire more teachers is a short-sighted solution that ignores the root problem. We can do better.

Protecting the Most Vulnerable

One of the bills I co-sponsored this year was Senate Bill 689, which adds undue influence to the acts that constitute abuse of individuals who are elderly or disabled. These acts typically involve crimes of financial exploitation, with a person exerting his or her influence over an elderly or disabled person and that individual's vulnerable state to take advantage of him or her.

Current Missouri law didn't offer anything that dealt with crimes like these, but people who commit these acts should be brought to justice.

The bill also takes another step in cracking down on Medicaid fraud, specifically instances when people withhold money intended to go towards the costs of caring for the elderly in assisted living facilities.

Caring for Missouri's Veterans

There are seven state veterans' homes in Missouri that provide long-term care to more than 1,300 elderly and disabled veterans.

In recent years, the trust that funds these facilities was dangerously close to being drained, threatening the future of our veterans' homes. Lawmakers made it a priority this year to ensure these homes can continue operating, providing a valuable service to our military men and women.

As part of the budget process this year, we passed House Bill 1731, which creates a dedicated funding source for the veterans' homes.

The Missouri Veterans Commission, which oversees the state's veterans' homes and cemeteries, will now receive around \$36 million annually.



Above, Sen. Eric Schmitt speaks on the bill to include cell phones on the state No-Call List.

Cell Phones Added to No-Call List



I filed legislation this session to add cell phones to the state No-Call List. Protecting citizens' privacy regarding telemarketing and solicitation calls was an important priority for the Legislature.

When Missouri's No-Call List was created, cell phones weren't as available or as prominent as they are now. Language regarding cell phones simply wasn't included in the act that created the list.

We addressed the oversight this year with the passage of House Bill 1549, which incorporated language I sponsored that allows cell phones on the list.

To add a home or cell phone number to the No-Call List, visit www.ago.mo.gov/nocalllaw.

Worker's Compensation

In 2010, a court decision stated that employees could be held liable for the injury of a co-worker in honest workplace accidents. This had never really been an issue prior to that ruling, and it had an immediate negative effect on businesses throughout the state.

It opened the doors for numerous lawsuits, which can be financially crippling to hard-working Missourians and employers.

This year, we passed House Bill 1540, which protects co-workers from unnecessary lawsuits for normal, workplace accidents.

The change will give more certainty to employers, who will no longer need to carry burdensome insurance to cover these claims, and employees, who often pay exorbitant legal fees to settle these suits. The change in Missouri law took place on Aug. 28.

Regulatory Reform

While it wasn't a high-profile measure, one of the most important bills we passed this year was Senate Bill 469, which addresses regulatory reform.

The legislation, signed into law by the governor on July 13, requires departments to review state regulations on a regular basis. There are literally thousands of administrative rules on the books in Missouri, many of which are outdated and unnecessarily burdensome to business owners.

By requiring departments to basically justify the existence of a rule, we can eliminate some of the governmental red tape that hinders job growth. This measure, which received bi-partisan support in the General Assembly, took effect on Aug. 28.

State Senator Eric Schmitt

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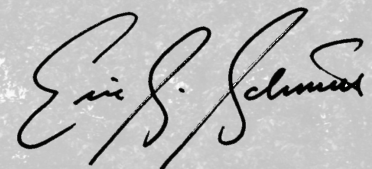
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Looking Ahead

As we look ahead, it is clear that the Legislature needs to make Missouri a better place for job creation. While we've made strides in the last few years with regulatory reform and legislation I sponsored which eliminates the corporate franchise tax—one of the biggest tax relief measures in the state's history—there is still work to be done.

As chair of the Senate Jobs, Economic Development and Local Government Committee, I pledge to continue to lead on issues that can make our state more competitive and get more of our neighbors back to work. Working together on this laudable goal is achievable. Missourians deserve elected leaders that will work hard. I consider it an honor of a lifetime to represent St. Louis County in the state Legislature. Please feel free to contact me at any time with your ideas and proposals to improve the lives of everyday Missourians. Thank you and God bless.



Visitors to the Capitol



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