

State Senator

# Eric Schmitt

## *Capitol Report*



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### ***Leadership Assignments:***

- Majority Caucus Chair
- Jobs, Economic Development and Local Government, Chair
- Joint Committee on Administrative Rules, Chair



Dear Friends and Neighbors:

I'd like to take this opportunity to express how honored I am to serve as your state senator. We're blessed to live in one of the greatest regions in the country and one of the best places to live in the state. It's a continual source of pride to represent the citizens of our district.

My wife, Jaime, and I are lucky to be a part of such a tremendous community and to share the traditions and experiences of our area with our children Stephen, Sophia and Olivia. With Stephen beginning 3rd grade and Sophia starting kindergarten this fall, we are enjoying the end of summer and beginning of fall and looking forward to what the future holds for our family, our area and our state.

We wish you and your families all the best, and please, do not hesitate to let me know if there's any way I can assist you.

*Eric J. Schmitt*

# Education

- Every child in Missouri deserves a world-class education. During the 2013 legislative session, the Legislature approved \$60 million more to the state's education foundation formula. Because of that increase, this year's K-12 appropriation in the budget is the largest in the state's history.
- Senator Schmitt does not believe, as some in Jefferson City do, that balancing the state's education budget on the backs of many local hold-harmless school districts, like Kirkwood, Parkway, Valley Park and Special School District, which pay for more than 90 percent of their funding with local sources, is the right thing to do.

However, the Department of Elementary and Secondary Education (DESE) decided, without authority from the General Assembly, to willfully ignore the foundation formula and illegally shift \$136 million as it saw fit last year and this year another \$120 million, costing local school districts like Kirkwood and Parkway hundreds of thousands of dollars, and the Special School District \$6 million over the last two fiscal years. Senator Schmitt continues to be a vocal critic of these illegal actions that are unfair to local taxpayers.

To that end, he sponsored legislation that would have formed a committee to look at Missouri's foundation formula and to work toward creating a sustainable funding model for the state. Although that legislation did not cross the finish line this year, Sen. Schmitt will continue to advocate for our schools and our students.

- Recently the Missouri Supreme Court ruled that students in unaccredited school districts can attend an accredited school district of their choice. Senator Schmitt has been working diligently to find solutions that protect local taxpayers from having to build new buildings and hire new teachers while also ensuring that children in unaccredited school districts have every ability to receive a quality education. "This is an issue that will require people from across the political spectrum to work together to find an innovative solution, and I will help lead the effort," said Sen. Schmitt.

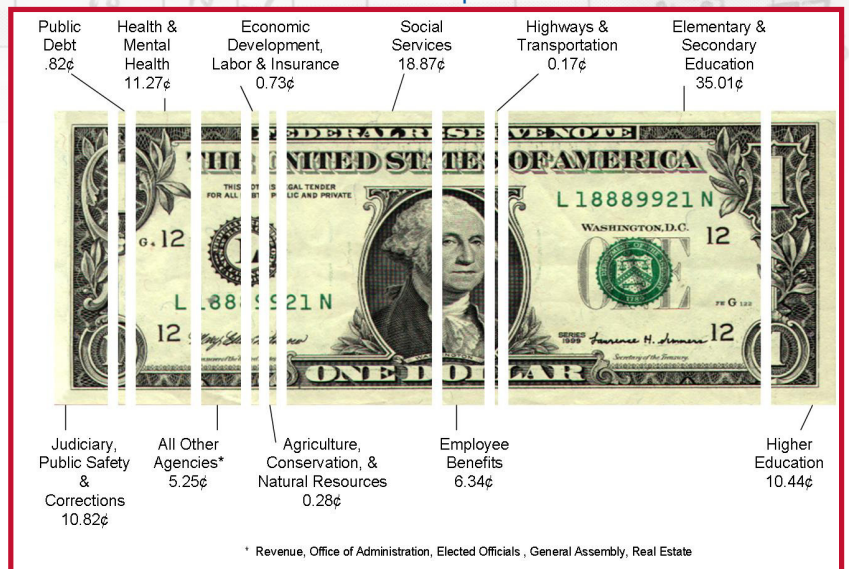
# Budget Breakdown

This year, the Legislature approved a \$25 billion balanced budget, which included the largest funding amount for K-12 education in the history of Missouri and increases in scholarship fundings for higher education.

Revenue continues to grow, regularly hitting projections, and sometimes even exceeding them. The FY 2014 budget included a \$400 million surplus. Many legislators and elected officials proposed pouring that many back into government. Senator Schmitt believes that money should go back to the taxpayers, who have struggled over the last five years to recover from one of the worst economic crises since the Great Depression.

The Legislature often talks about making hard decisions in the Capitol regarding state funding for departments; none compare to the truly tough decisions Missouri families have been forced to make, like whether to buy new shoes for their children or putting food on the table. Instead of investing even more money in a bloated state government, the Legislature should fund essential services, protect those who cannot protect themselves and then return what's rightfully the taxpayers' surplus, so that money can be reinvested in our economy to encourage growth and job creation.

## Fiscal Year 2014 Operating Budget General Revenue: \$8.277 Billion





# Tax Relief for ALL MISSOURIANS

Throughout his time in the Senate, one of Sen. Schmitt's highest priorities has been reducing the tax liability for Missouri citizens and businesses. Tax relief is a critical tool in promoting economic growth and spurring job creation. That's why he led the effort to phase out our state's corporate franchise tax two years ago, allowing business owners across Missouri to keep their hard-earned dollars and reinvest that money back into their companies and create jobs. It's also why he's continually sponsored legislation to lower the tax burden on hard-working Missourians.

Those efforts culminated this year with the passage of House Bill 253, also known as the *Broad-Based Tax Relief Act of 2013*, legislation Sen. Schmitt carried in the Senate that also contains provisions based on measures he's sponsored.

Missouri ranks 48th in GDP growth among the states in the last decade and we have seen our congressional delegates cut in half in the last eight years. It is time for a new bold path—a path to prosperity.

Many other Midwest states are reducing their income tax rates. With our federal tax burden growing, it is time to provide tax relief at the state level and allow people to keep more of their hard-earned money.

Under the House Bill 253, the personal income tax rate for all Missourians would be reduced over 10 years and allow every small business in the state a 50 percent deduction on all business income within five years. It has been nearly 100 years since Missouri taxpayers have seen a reduction in their income taxes. Senator Schmitt believes the time has come to act.

On June 5, the governor vetoed House Bill 253. On Sept. 11, Sen. Schmitt plans to vote for lower taxes, economic expansion and more jobs at the annual veto session and return the \$400 million budget surplus back to taxpayers.



## Protecting Citizens

During the 2013 session, it came to light that the Missouri Department of Revenue (DOR) quietly implemented a new procedure—unbeknownst to both the Legislature and the people—that required the scanning and retaining of private documents to issue or renew a driver's license or conceal carry permit. Not only were these new rules a complete deviation from past practice, they were never promulgated before the Joint Committee on Administrative Rules, a violation of state law. Senator Schmitt supported legislation that prohibits the retention of this sensitive information. That bill was passed by the General Assembly and signed into law.

As chairman of the Joint Committee on Administrative Rules, Sen. Schmitt drew attention to the important issue of administrative agencies avoiding legislative oversight. Missouri must maintain its finely wrought system of checks and balances. The DOR scandal is just the latest example in an alarming new trend of state agencies circumventing the law and oversight. As your elected senator, and as chairman of the Administrative Rules Committee, Sen. Schmitt will continue to keep a watchful eye on state agencies like DOR, the Department of Elementary and Secondary Education and the Department of Natural Resources to make sure all new rules are reviewed and that no department infringes on the rights of our citizens.



## Addressing Violent Crimes

In 2012, St. Louis was ranked third on the FBI's list of the nation's most dangerous cities. That is an appalling statistic and highlights an issue that must be addressed.

Keeping our citizens safe should be one of our highest priorities. To that end, Sen. Schmitt sponsored legislation that would have created a special Armed Offender Docket for the prosecution of certain weapon offenses. Select judges, chosen by the circuit court of St. Louis, would have exclusively dealt with cases involving weapons. This docket would have given the court the tools it needs to consistently dispose of gun-related offenses in our area.

Time ultimately ran out before the bill passed, but Sen. Schmitt will continue working with local law enforcement and fellow colleagues in the Legislature to address violent crime in St. Louis.

## Bringing Amateur Sports to Missouri

For years, Missouri, situated in the middle of the nation, was a premier location to hold amateur sporting events, from NCAA basketball championships to Olympic trials. Hosting these events was incredibly beneficial to our state.

Visitors stayed in local hotels, ate in local restaurants and shopped in local stores. Those dollars translated into increased revenue for both local governments and the state as a whole, and more importantly, jobs. It's more than bragging rights—holding these events in Missouri promoted economic development in a major way. But as other states saw the benefits of hosting these events, they became proactive at drawing them to their areas. More and more tournaments went to states that actively supported playing host.

For the last couple of years, Sen. Schmitt has fought to see Missouri regain its status as a competitive player in bidding for these events, and, most importantly, the Missouri jobs they help create. That work came to fruition this year with the passage and signing of Senate Bill 10, which creates an incentive to attract amateur sporting events to Missouri. Under the bill, \$5 from every ticket sold to a qualifying event would go towards offsetting the costs local organizations incur while attracting and hosting amateur sporting events, such as the NCAA basketball tournament and Olympic trials, to their area.

The bill would prohibit the incentive from exceeding \$3 million in a fiscal year. Since the measure is based on tickets sold, every community in Missouri could utilize the incentive to bring more amateur sporting events to their area.

Senate Bill 10 gives our state a chance to reestablish itself as a major player in attracting amateur sporting events to our area.

Shortly after session ended and this legislation was signed, the St. Louis Sports Commission took the legislation to Nashville, Tenn., and bid on the SEC Men's Basketball Tournament. It has since been reported St. Louis will host the 2017 SEC Men's Basketball Tournament, signalling the importance of approving this legislation and an encouraging sign Missouri will soon regain its stature as a great place to host amateur sporting events.

## State Senator Eric Schmitt

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# Sen. Schmitt's Legislative Successes

**SB 159** requires insurance companies to charge the same co-payments or co-insurance amounts as they would for a visit to a general practitioner for a physical therapy visit. This change will give many Missourians access to beneficial physical therapy, which not only helps them recover more quickly from injuries, but also helps prevent future and costly setbacks.

**HB 303**, which Sen. Schmitt handled in the Senate, names the new Mississippi River Bridge in St. Louis after the Cardinals legend Stan "The Man" Musial, who passed away in January. "I was honored to carry this bill and pleased to see one of St. Louis' most beloved figures memorialized," said Sen. Schmitt, an avid Cardinals fan.

**HB 722** modifies provisions relating to the Police Retirement System of St. Louis, including requiring one or more physicians of the medical board to certify a police officer is unable to perform his

or her duties due to an injury on the job before that officer can be forced to retire, among other provisions.

**HB 215**, which contains provisions contained in legislation filed by Sen. Schmitt, allows prosecuting attorneys to seek restitution from criminal offenders for an additional crime to cover the costs of handling the case. The bill also requires offenders make restitution to the victim as a condition of parole.

**HB 128** includes language Sen. Schmitt offered that provides meaningful Tax Increment Financing (TIF) reform by ensuring vital investments approved by taxpayers, such as emergency 911 funding, cannot be captured by real estate development TIFs.

# Capitol Visitors



Youth Leadership Forum for Students with Disabilities



Twin Oaks Christian School



St. Peter's School



Westchester School



Crestwood School



North Glendale School