



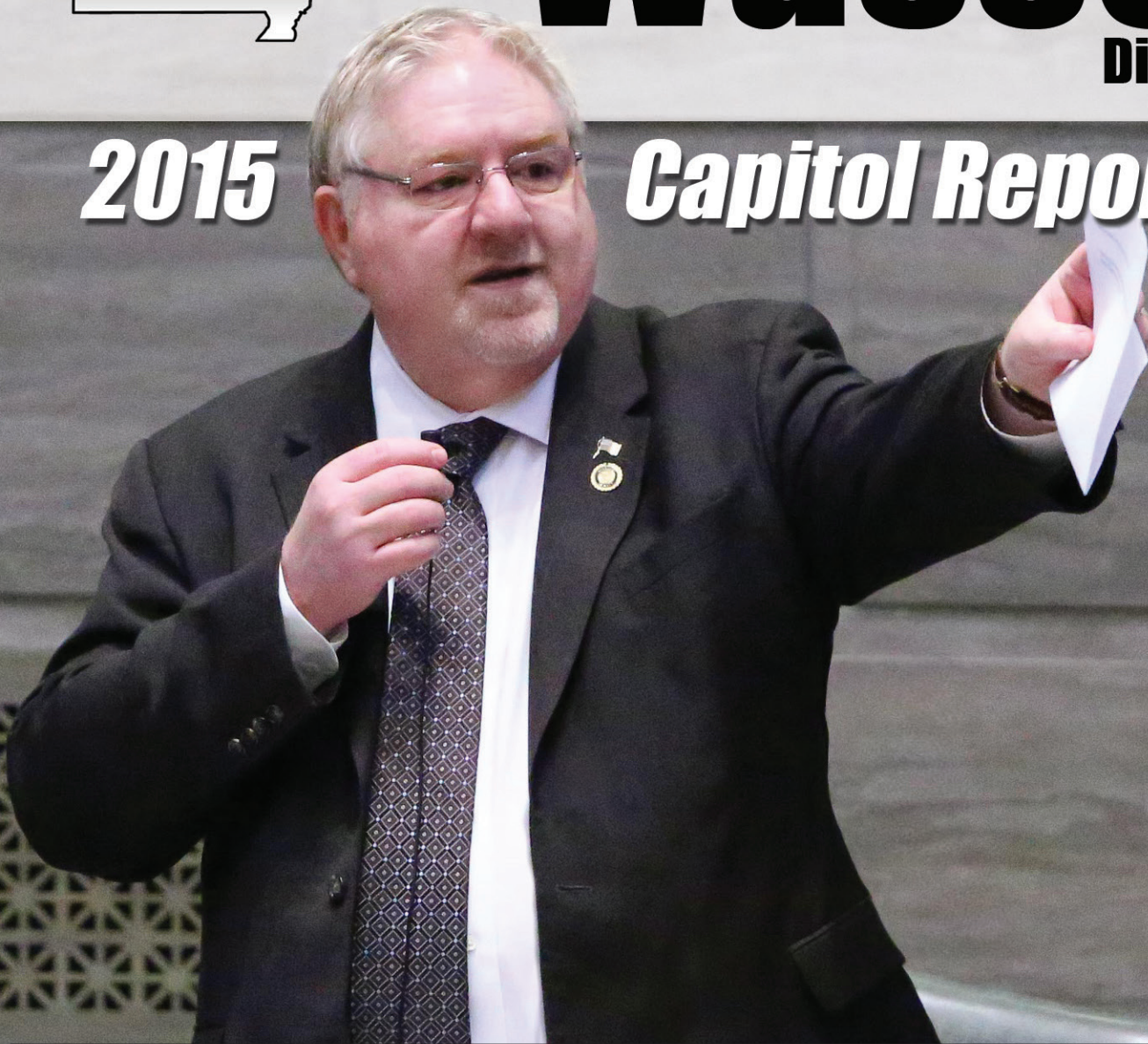
State Senator

Jay Wasson

District 20

2015

Capitol Report



Dear Friends and Neighbors,

The First Regular Session of the 98th General Assembly has come and gone. It continues to be an honor serving the citizens of the 20th District in the Missouri Senate.

During the 2015 session, lawmakers passed measures that will bring jobs to the Show-Me State, clarify our tax laws and better protect our most vulnerable citizens, among many others. The September veto session also saw legislators override 10 of the governor's vetoes.

The 2016 legislative session will begin in January. Until then, I look forward to seeing you in the district throughout the remainder of the year. As always, please do not hesitate to contact my office in Jefferson City if I can be of any assistance.

Sincerely,

Jay Wasson
State Senator



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Increasing Department of Revenue Accountability

Missouri lawmakers passed legislation (Senate Bill 18) that will bring greater accountability to the Department of Revenue (DOR) by requiring the department to notify businesses whenever there is a change in how Missouri tax laws are being interpreted. This measure was filed in response to a growing number of complaints by Missouri business owners that they were only informed of a change in tax law interpretation after they had been audited, by which point the DOR was already claiming they owed back taxes. An interim committee determined that the DOR was unfairly and inconsistently enforcing its tax laws. The governor signed SB 18 into law in June.

Bringing Data Center Jobs to the Show-Me State

For the last eight years, I've been working to get data storage center legislation passed. This session, I offered substitute legislation for Senate Bill 149, which creates tax exemptions for new and existing data centers to use on computers, equipment and utilities. To be eligible, a new center must invest at least \$25 million and create a minimum of 10 new jobs. An existing center must invest at least \$5 million and create a minimum of five new jobs. Senate Bill 149 better positions Missouri to attract the business of current and future data center facilities from all across the country. The provisions of SB 149 took effect on Aug. 28.



OPEN FOR BUSINESS

In addition to SB 18 and SB 149, the General Assembly passed several measures that will help clarify state tax law, create jobs and benefit Missouri businesses.

SENATE BILL 19 specifies a process for determining what portion of a corporation's income is taxable in Missouri for sales of real property or rentals of tangible personal property, rentals of licenses of intangible property, and sales of intangible property.

SENATE BILL 194 extends the date by which certain employee-owned businesses must build a new facility or expand an existing facility to qualify for business facility tax credits from Jan. 1, 2020, to Jan. 1, 2025.

SENATE BILL 336 specifies that for employees who earn tips, the amount of income the employer should withhold for tax purposes shall be based on the total tips reported to the employer on the employee's written statement; and relieves employers of liability for any amount of under-reported tips by an employee.

HOUSE BILL 514 modifies provisions relating to tax increment financing. The National Geospatial Intelligence Agency (NGA) is looking to leave its western headquarters, currently located in St. Louis, as it prepares to build a new \$1.6 billion replacement facility. The NGA is considering several locations, including an area near Illinois' Scott Air Force Base. The average NGA salary is \$75,000 annually. If the NGA leaves, the St. Louis area would lose more than 3,000 jobs and roughly \$2.4 million in earnings tax revenue. House Bill 514 increases the State Supplemental Tax Increment Financing capacity, allowing the City of St. Louis to transform a blighted neighborhood into a brand new high-tech facility that will keep good-paying federal jobs with great employee benefits in the Show-Me State for years to come.

Welcoming Visitors to the Capitol

Every year, I have the privilege of meeting with visitors from back home in the 20th District. I truly enjoy talking with all those who make the trip up to Jefferson City, and listening to your thoughts and ideas on state government. If you plan on visiting our beautiful Capitol, please contact my office for any help or assistance in arranging a tour.



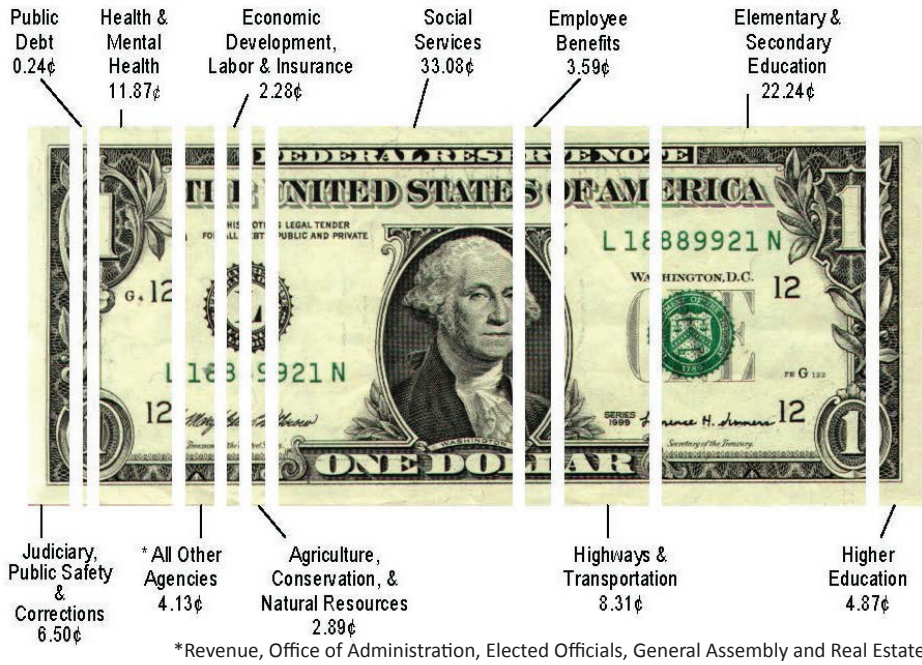
Sen. Jay Wasson visits with retired educators, who came to the Capitol for Missouri Retired Teachers Association Day on Wednesday, Feb. 18.



Sen. Jay Wasson with fourth grade classes from Wanda Gray Elementary in Springfield on April 16. The students visited the Capitol as part of their study on government.

FY 2016 BUDGET BREAKDOWN

FISCAL YEAR 2016 TRULY AGREED AND FINALLY PASSED OPERATING BUDGET
All Funds: \$26.028 Billion



Modifying Missouri's Mack's Creek Law

Senate Bill 5, modifying Missouri's Mack's Creek Law, was also passed by the Legislature this session and signed into law. Previously, the Mack's Creek Law stated that any city, town or village must send revenues from traffic violations in excess of 30 percent to the Department of Revenue to then be distributed to the schools of the county in which the revenue was generated. Under SB 5, effective Jan. 1, 2016, the 30 percent threshold will be reduced to 20 percent.

An earlier version of SB 5 actually called for a 10 percent threshold. For rural communities that generally have much smaller budgets than their urban counterparts, the original bill would've had a devastating financial impact. That is why I proposed an amendment keeping the cap at 20 percent.

Had the scope of SB 5 been limited to just the Mack's Creek Law, I could have voted for it. Unfortunately, language was added prohibiting municipal courts from issuing an additional fine for the failure to appear for a municipal charge. Our courts can't distinguish between someone who doesn't show up because of a work or family obligation versus someone who just doesn't feel like going. So while it wasn't the intention, this one provision will serve as a disincentive for people to show up to their court date. In the end, and even after getting the 20 percent cap, I did not feel as though I could vote for the measure.

Budget Highlights

The most important thing we do as legislators is pass a balanced operating budget. By all accounts, the \$26 billion budget for Fiscal Year 2016 is one of the most conservative we have ever passed.

Here are just a few of the FY 2016 funding highlights:

- An additional \$84 million for K-12 education;
- An increase of \$12 million for higher education;
- \$2 million more for the A+ Schools Program;
- A \$20 million increase to state disaster funding;
- \$700,000 for the Amtrak operating expansion;
- An additional \$28 million for the Victims of Crime Act; and
- A 3 percent rate increase to providers caring for the elderly and developmentally disabled Missourians.

PROTECTING OUR MOST VULNERABLE CITIZENS

Lawmakers also passed legislation that will provide greater protection for some of Missouri's most vulnerable citizens: our children and seniors.

SENATE BILL 174 creates the Missouri Achieving a Better Life Program (MO ABLE), allowing families to set up a tax-exempt savings account for their child's disability-related expenses. In addition, these special savings accounts will not affect an individual's or family's eligibility for Supplemental Security Income (SSI), Medicaid and other public benefits.

SENATE BILL 244 creates the Senior Savings Protection Act, allowing broker-dealers to temporarily stop a disbursement from a senior investor's account if they have reason to believe the requested transaction would result in financial exploitation. The Senior Savings Protection Act also applies to adults with disabilities.

SENATE BILL 341 establishes procedures for reports of juveniles with problem sexual behavior. A juvenile with problem sexual behavior is defined as any person, under 14 years of age, who has allegedly committed sexual abuse against another child.

State Senator Jay Wasson

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SEN. WASSON SPONSORS GUBERNATORIAL APPOINTMENTS



It was my honor during the 2015 legislative session to sponsor three outstanding public servants, all of whom had been nominated by the governor to serve on one of Missouri's more than 200 public boards and commissions. I know each of them will do a fantastic job in their new position, working to improve the lives of our citizens and ensure our state operates effectively and efficiently.

Pictured above, from left to right: Sen. Jay Wasson sponsors the appointments of Mrs. Peggy Lea Taylor to the Missouri Charter Public School Commission, Mr. Steven D. Bodenhamer to the Missouri Public Entity Risk Management Fund Board of Trustees and Rev. Robert Andrew Bryan to the Children's Trust Fund Board.