

District 12
State Senator

Brad Lager

2014 Legislative Report

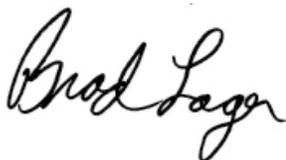
The Second Regular Session of the 97th General Assembly has officially come to an end. At the start of the year, we laid out an aggressive agenda, focused on improving our educational system, reducing our tax burden and limiting the size and scope of government. Combined, these issues would help strengthen our state's economy and set us on a path toward prosperity.

Creating an educational system that allows Missouri's children to be competitive in the 21st century is not easy, and while there is still plenty of room for improvement, we are moving in the right direction. We were successful in passing legislation that will expand and strengthen early childhood programs throughout our state. We addressed the growing school transfer issues that continue to plague inner city districts. We passed legislation empowering local school boards to share superintendents if they believe it is logistically and fiscally prudent for their districts. For the first time during my time in the Legislature, we implemented a performance-based formula for funding higher education and strengthened the career and technical educational tracts available to Missourians. Whether it's a two-year, four-year or career tract, to compete in the 21st century job market we will need to utilize all types of post-secondary education.

Government does not create jobs; the private sector creates jobs. Therefore, anything we can do to keep more money in the hands of hard-working Missourians is good for our economy. This is why we successfully enacted a broad-based tax cut bill that offers relief to all Missourians. This modest reform reduces the tax structure in a way to encourage growth, instead of hampering it. This move will leave more money in the hands of individuals and businesses that can then take their money and reinvest it in our economy.

This was my final session in the Missouri Legislature and it has brought to an end the great privilege you have bestowed upon me to serve our region of the state in the Missouri Senate. It has been an honor and I will forever be grateful for your willingness to allow me this opportunity. I am excited to return home to Stephanie, Addison and Andrew as we begin a new chapter in our lives, but I will always cherish the friendships made, the accomplishments completed and the life lessons learned as we traversed the journey.

Thank you.



Crucial Legislation and Issues for 2014

Education

For the first time in several years, the General Assembly passed a number of wide-ranging education bills. From legislation aimed at pre-K education, unaccredited districts, school transfer laws and the development of Missouri Learning Standards, the General Assembly sought to address issues that have gone unresolved for years. While those bills dealt with a number of difficult issues, I was proud to sponsor and work to pass Senate Bill 701, which includes provisions that allow districts to share superintendents and requires greater recognition of career and technical education programs.

Over the last several years, many of our school districts in rural Missouri have taken a number of steps to tighten budgets and increase flexibility to meet their local needs. From the adoption of four-day school weeks to the consolidation of athletic programs across districts, our schools are finding new ways to solve old problems. This is why I sponsored legislation that allows for districts to share superintendents without needing approval from the Department of Elementary and Secondary Education.

The other main provision in Senate Bill 701 related to the Department of Elementary and Secondary Education's lack of support for career and technical education programs. For years, a number of legislators and interested stakeholders from rural Missouri have worked diligently to provide greater support to the programs in our local schools that prepare students to directly enter into the workforce out of high school or to attend secondary technical schools.

Unfortunately, the department has not shown the enthusiasm or support necessary for these programs and students to flourish. Upon consulting with a number of my colleagues and career and technical education supporters, we worked to craft language that requires the department to reward schools that offer these programs. This legislation also encourages the development of partnerships that allow students to enter into career and technical education programs and participate in work study or internship programs with area businesses. Not every student is destined to attend a four-year university and our laws and policies should never discourage students from pursuing the educational and career track that is best for them.

Throughout my time in the General Assembly, I have worked hard to support strong education programs and believe that the education of our children should be the state's top priority. While I still believe the state has a long road ahead to resolving the challenges within our current system, I remain committed to bettering our educational system and giving our children the best opportunity to achieve success and contribute to society.

Students Visit the Capitol in 2014



Youth with Vision members took a break from their youth leadership conference to visit with Sen. Lager in the Capitol.



Senator Lager presented a resolution to Josh Schoonover of Princeton for placing in the National History Day in Missouri competition.



Students from Hawthorne Elementary in Kearney visited with Sen. Lager in the Capitol during the hectic final days of the 2014 legislative session.



FFA officers Taylor Washburn, of Eagleville, and Tanner Adkins, of Elmo, visited with Sen. Lager in the Senate Chamber.

Missouri's Fiscal Year 2015 Budget

The Fiscal Year 2015 budget appropriates just over \$26.3 billion, which now represents the largest operating budget in our state's history. While this remains a staggering sum, the budget approved by the General Assembly is \$1.3 billion less than the governor's initial recommendation.

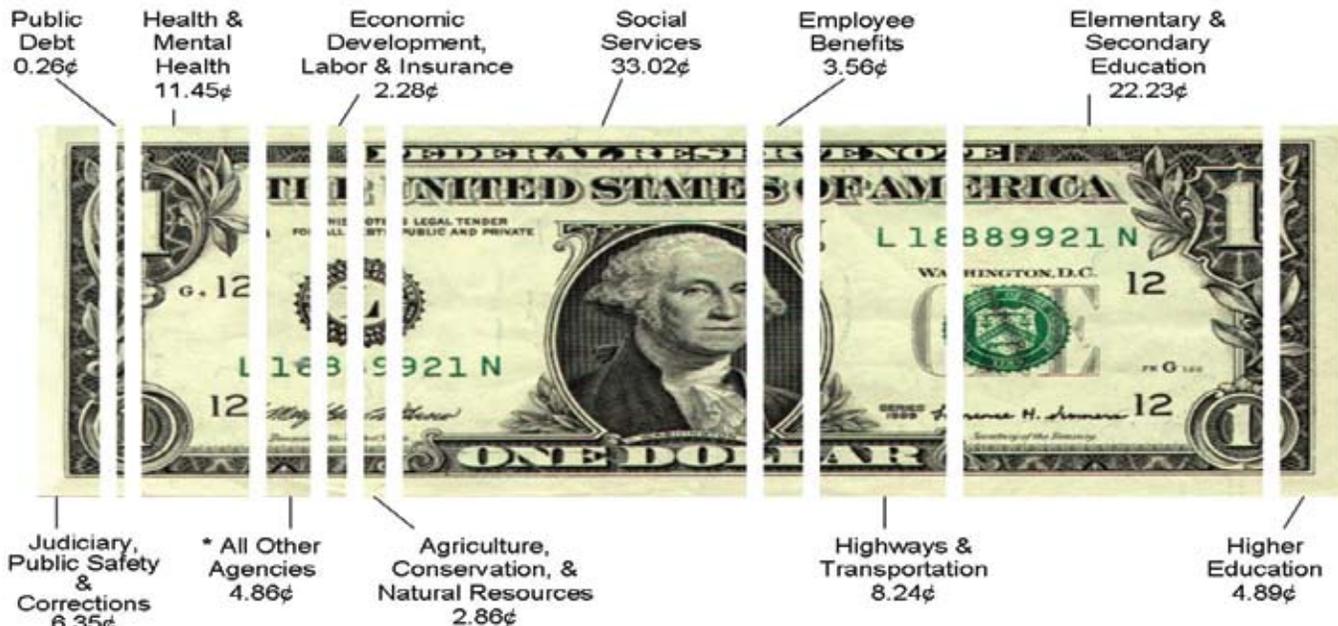
The final budget made a number of efforts to restore lost education funding by providing \$278 million more toward the state's education foundation formula, increasing funding to the First Steps Program, the transportation line item and Parents as Teachers.

Yet, once again, the largest portion of the budget remains entitlement spending on social welfare programs. The budgets for social services and health represent nearly

45 percent of our state spending at nearly \$12 billion. From entitlements to federal requirements, these budgets continue to outpace the growth in revenue. The growth of these two budgets, combined with a continued absence of tax credit reform, is an unsustainable and fiscally irresponsible trend.

I have fought for years to rein in out-of-control tax credit programs and limit the growth of social welfare spending. While I have seen mixed results, it is critical that Missourians continue to demand accountability and fiscal responsibility from our elected officials. Though I am leaving the General Assembly, I remain committed to fighting to reform the programs that reward few at the cost of many.

FISCAL YEAR 2015 TRULY AGREED AND FINALLY PASSED OPERATING BUDGET All Funds: \$26.379 Billion



* = Revenue, Office of Administration, Elected Officials, General Assembly and Real Estate

A Historic Tax Cut

With a bipartisan vote, the Missouri General Assembly successfully overrode the governor's veto of Senate Bill 509, a broad-based tax relief package. With this veto override came the first income tax cut in Missouri in almost a century. It also marked the first step in a long journey toward fixing Missouri's broken tax system.

This tax cut will reduce the maximum tax rate on personal income and income for flow-through entities, like LLCs, S-Corps and partnerships. It establishes a \$500 income deduction for individuals who earn less than \$20,000 a year and it requires the tax brackets for individual income to be adjusted annually for inflation. In order to have ample time for financial planning, this tax reduction is phased in

over five years and only advances to the next step if general revenue grows the corresponding amount.

This override also signals a shift in the mindset of Missouri's elected officials. Twelve years ago, when I first entered the Missouri House, the Legislature and the governor were debating whether to raise taxes, tap the rainy day fund, or create debt to pay the current bills. A little over a decade later, we are now debating how much to cut taxes. Although it has been a long and slow journey, we have finally changed the mindset within the Missouri General Assembly.

While this proposal may be more modest than I would have liked, it does represent the first step toward meaningful tax reform in modern Missouri history.

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2014 Great Northwest Day at the Capitol



Senator Lager and Agriculture Director Richard Fordyce with the Harrison County delegation.



Leaders from Sullivan County recognized Sen. Lager's efforts on behalf of the East Locust Creek Reservoir.



The Nodaway County delegation spent the afternoon in the halls of the Capitol meeting with legislators, including Sen. Lager and Rep. Thomson.



The Holt County delegation visited with Sen. Lager to discuss the legislative session and the challenges facing the county.