

State  
Senator

# John Loudon

District 7

***Working For You...***

**INSIDE:**

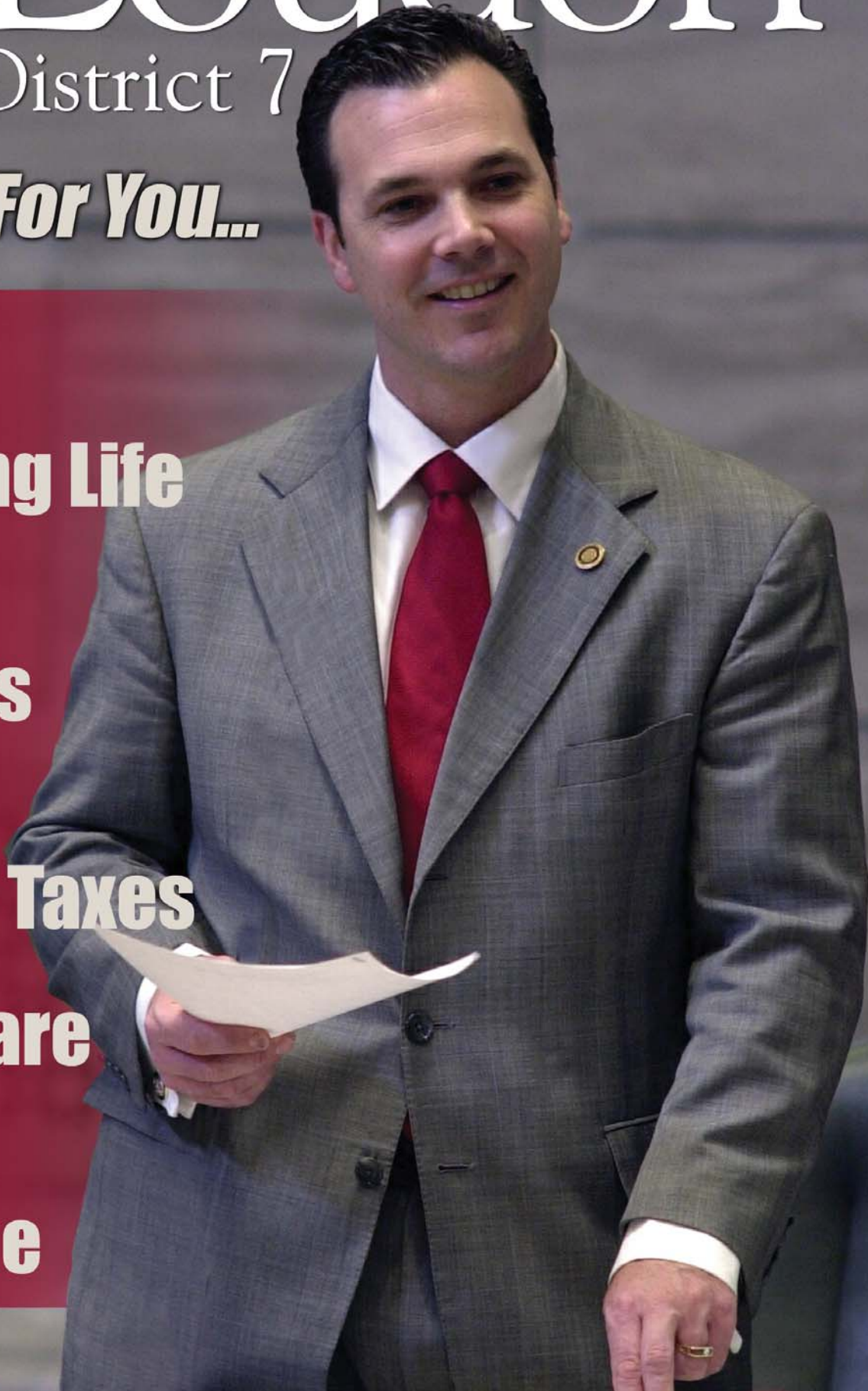
**Protecting Life**

**Sexual  
Predators**

**Lower  
Property Taxes**

**Health Care**

**Down  
Syndrome**



Dear Friends,

This past legislative session was an eventful one with several key issues clearing the final legislative hurdles. We've passed legislation that protects the lives of all Missourians, even the unborn. Our elementary and secondary schools are seeing more money than ever before, and our colleges and universities will get a much-needed infusion to their infrastructures. We've passed a balanced budget that is accountable to you, the taxpayer, and even managed a tax cut for those collecting Social Security and some pensions.

In this report, I've outlined the status of four issues of particular importance to me:

**Health Insurance Availability:** After two years of focused work, we've enacted sweeping reforms to the state's Medicaid system. For everyone else, we enacted the private health insurance reforms I have pursued for 13 years.

**Lower Property Taxes:** High real estate taxes have become a real burden for many St. Louis County residents. Addressing this issue will be one of my top priorities during the next legislative session.

**Midwifery:** I'm proud we were able to pass a measure that would give the women of this state the same fundamental choice as women in 40 other states have in how their babies are delivered. Midwifery is a safe, legal, approved practice in most places but a felony in Missouri. Special interests have challenged the issue, and now it is before the State Supreme Court.

**Stopping Sexual Predators:** Sexual predators have moved from the playgrounds to the cyber world of the Internet. Legislation I pushed this year included \$1.25 million to train and equip law enforcement agencies to catch these worst of the worst predators before they ensnare our children. My legislation allows victims to sue those who try to profit from this exploitation.



John Loudon  
Senator  
7<sup>th</sup> Senate District

## Contact Senator John Loudon

Senator Loudon and his legislative staff are always ready to answer any questions concerning the Missouri Legislature.

Feel free to call Sen. Loudon's Capitol office at (573) 751-9763 or his district office at (314) 895-0007.

Visit Senator Loudon online at: [www.senate.mo.gov/loudon](http://www.senate.mo.gov/loudon)





# Keeping Our Children Safe at Home and at School

## *Stopping Those Who Troll the Internet Preying Upon Children*

*Sen. Loudon moves important legislation that gives law enforcement the tools, training, and means to stop Internet predators and child pornographers.*

### *Cyber Crimes Grant Program*

This year, we were able to give a \$1 million increase to the Cyber Crime Grant Program — making it a \$1.25 million program that gives law enforcement the tools to go after Internet predators and child pornographers.

National media have made the danger that Internet predators pose to children obvious. However, most are unaware how depraved and vicious child pornography is. Last year, FBI officials from Kansas City and Jefferson City came to my office to express support for the grant program we were proposing. They said that children as young as infants have been sexually abused in ways too terrible to describe here.

Between October 2004 and July 2007, there have been more than 88,000 documented instances of computers within Missouri being used to transmit child pornography.

Every picture documents an actual crime scene where a child has been abused. And the child is victimized each time these pictures are sold or traded on the Internet.

With this money, law enforcement agencies are hiring, equipping and training more detectives and computer forensic personnel to go after predators and child pornographers. Last year, the Maryland Heights Police Department received \$9,000 in grant money for overtime. With just \$9,000 they arrested 10 “travelers” who used the Internet to try to entice children for sex. Fortunately, they were met by a police officer before they found a child.

### *HB 583 and SB 5 – Civil Damages for Victims of Child Pornography*

The nature of the Internet means that a lot of material is out there in front of the entire world for a long time. This only compounds the crime of pornography against children who could end up being victimized for years to come.

Senate Bill 5, which I sponsored, would have increased criminal and civil penalties for child pornography offenses. The bill passed the Senate, but it ran out of time in the House. I was, however, able to pass the civil damages part of the bill as an amendment to House Bill 583.

The amendment provides that any person, who, while a minor, was a victim of child exploitation or child pornography, is allowed to bring a civil case against those who hurt them. The victim has 10 years after turning 21 to file the suit, or three years after discovering the offense — whichever is later.

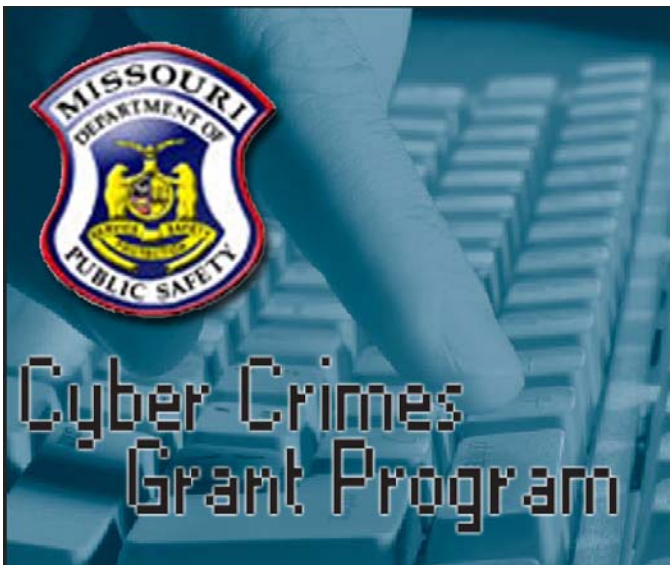
The scars of child sexual exploitation can last a lifetime. We have moved to make sure the sick, depraved perverts who committed these crimes or those who would try to perpetuate the act through images on the Internet will be stopped.

### *Safe Schools*

My Senate Bill 6, the Safe Schools Act, would have appropriated \$9 million a year into the Safe Schools Fund starting in Fiscal Year 2009. The money would have been distributed to schools based on their size to buy equipment and resources to make the school a safer environment. The Department of Elementary and Secondary Education would monitor the program to make sure the money was spent appropriately.

Senate Bill 6 would have also required districts to come up with a lock-down procedure to stop potentially dangerous or armed intruders from entering the school. Drills would be conducted on a yearly basis so teachers, students, and administrators would know what to do if the unthinkable happened in their school.

We ran out of time on the Safe Schools Act this year, but I will bring it up again next session, because the safety and lives of our children are too important to let this go unfinished.



## Landmark Medicaid and Private Health Insurance Reforms

We have made a fundamental shift in how we handle healthcare in this state with the sweeping reforms in two bills.

The outdated Medicaid system cost the state \$6 BILLION a year. It was wrought with fraud and needed changing. We fixed the problems with the formation of the new MO HealthNet system. The new program will focus on prevention, with \$13.5 million set aside to provide annual health risk assessments for patients.

The program also lengthens the amount of time children in Missouri's foster care system qualify for healthcare benefits. It extends the age for coverage to 21 from the current age of 18.

A provision was also added to reward whistle-blowers who report Medicaid provider fraud. Experts have estimated that as much as \$500 million a year is stolen by fraudulent actions.

Next summer, the sun will set on the old Medicaid system, and, I believe, it will rise on a much better way of



approaching healthcare with MO HealthNet.

**House Bill 818** contained parts from my Senate Bill 556, which made several changes to the insurance system to make healthcare more accessible and affordable for all Missourians. It expanded the High Risk Pool eligibility and the state subsidy, which lowered costs for participants in the program. **Health insurance premiums are now deductible on your Missouri income tax returns**, and the self-employed and people in business partnerships will get a tax break equal to the federal liability for that

portion of income which is used to buy health insurance.

Unmarried dependents can now stay on their parents' plan through age 25. Finally, HB 818 has made Missouri the 50th state to become fully HIPAA (Health Insurance Portability and Accountability Act) compliant.

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## More Choices for Families

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### *Midwifery*

Prior to this year, Missouri was the only state in the country where midwifery was a felony. This session, we were able to pass a bill that brings Missouri in line with the rest of the free world by becoming the 41<sup>st</sup> state to legalize midwifery. This was enacted as part of House Bill 818, which I handled on the Senate floor.

This measure, supported by large majorities in the Senate and House, would allow the practice of professional homebirth healthcare, giving pregnant women a true choice in where they have their babies. Midwifery is very safe when practiced by trained professionals.

One judge has put an injunction against the midwifery portion of the bill that was signed by the governor. As of the writing of this newsletter (late October), the Attorney General has appealed to the State Supreme Court. I am hopeful that, in the end, the courts will rule in favor of families and quit forcing families underground or to our neighboring states to deliver their babies.

### *"Sammy's Law"*

#### *For Babies with Down Syndrome*

House Bill 818 also contained my priority known as "Sammy's Law." Currently, many pregnant women are tested to see if their babies have Down Syndrome. Ninety percent of those children who test positive are aborted. I am concerned that families are not getting complete information before making that decision, resulting in what national columnist George Will calls a "search and destroy mission" that "borders on eugenics." My wife Gina and I recently adopted a child who survived this process and named him Samuel. Doctors will now be required to tell their patients how often the testing results in a "false positive." Women will also be told of adoptive families and the resources to help them should they keep the babies themselves.



# Standing Up for Parents

## *Supreme Court Upholds Sen. Loudon's Parental Consent Legislation*

This year, Missouri's Supreme Court has upheld a law I sponsored two years ago designed to strengthen state laws protecting young women considering abortions.

Senate Bill 1, passed during a special session in 2005, gives aggrieved parents the right to sue anyone who would "cause, aid or assist" their minor daughter to get an abortion without their consent. The legislation reinforces Missouri's parental consent for abortion law requiring girls 17 and under who are seeking abortions to provide written permission from a parent or legal guardian before undergoing the procedure. This is a right of parents over the healthcare of their daughter, which Illinois clinics were taking away. This racket also provided a safe haven for child rapists to cover up their crimes.

The law requires physicians at abortion clinics in Missouri to have privileges to provide obstetric and gynecological care at hospitals within 30 miles of the clinic. That measure is necessary during the unfortunate circumstance that an abortion is performed so at least the mother's safety is ensured during the procedure.

This year's court decision was great for Missouri parents. It confirmed their rights to parent instead of having that right effectively nullified by abortion-providing neighboring states,

such as Illinois, which have shown less respect for the role of parents. For unborn children and their teen mothers, it gives hope for new life.



*Sen. Loudon is pictured with his wife, Gina, and their five children.*

## *Giving Women a Chance to Choose Life*

House Bill 1055 is a pro-life, pro-family, piece of legislation we passed and the governor signed this year. This comprehensive law protects the lives of our youngest citizens — the unborn — and makes sure all women know there are choices supporting life they can make.

House Bill 1055 establishes the Missouri Alternatives to Abortion Services Program. This program provides services and counseling to pregnant women and assistance to mothers in caring for their children or placing them up for adoption. Counseling and services will be available to a woman during her pregnancy and for one year after the birth of her child. Too many times, women are told they have no other choice but to kill their unborn baby. We want them to know that there is another way... a REAL choice for life.

This new law will also keep abortion providers from teaching the idea of abortion to our children in our schools. Public schools will be encouraged to give students information on the only guaranteed way to prevent a pregnancy — abstinence — while also giving the latest information regarding side effects and failure rates for various methods of contraception and sexually-transmitted diseases.

Finally, the measure changes the definition of an "ambulatory surgical center" to include any facility that performs or induces second or third trimester abortions or performs at least five or more first trimester abortions per month. Once again, this is an important safety provision for the mother in the unfortunate event of an abortion.



# Property Taxes

The people of St. Louis County have seen their property tax assessments in 2007 increase an average of 22 percent from the 2005 assessments. While the Hancock Amendment provides some protection by requiring many taxing districts to roll back tax rates, those whose assessments have gone up more than the average could still face sharply higher taxes. This makes it very difficult for homeowners who have no way of predicting what their assessments will be in the future. It is unfair to see people who have lived many years in the same house forced to move because their taxes have gotten too high. Next legislative session, protecting homeowners from unpredictable tax increases will remain a priority for me.



## Legislation Advanced in 2007

**Civil Damages for Victims of Child Pornography** — Several provisions that strengthen laws protecting children from sex offenders were taken from Sen. Loudon's SB 5 and attached to HB 583 and HB 41. Specifically:

- Victims of child pornography can sue those who victimize them. Added to HB 583 (see more detail on page 3).
- Internet Cyber Crime Grant program monies can be used to purchase equipment and supplies. (Training and personnel were already covered in last year's legislation) Added to HB 41 (more on page 3).

**Captive Insurance** — SB 215, sponsored by Sen. Loudon, allows for the formation of captive insurance companies in Missouri (more on page 7).

**Title Insurance** — With SB 635, Sen. Loudon brought parties together to enact title insurance reforms to protect consumers and rid the market of bad actors. The language he worked on was added to SB 66 (see more detail on page 7).

**Teach for Missouri Act** — SB 443, co-sponsored by Sen. Loudon, enacts a program to pay student loans up to \$5,000 a year for four years plus a \$1,000 stipend for teachers who



work in unaccredited school districts (passed as part of SB 389).

**Health Insurance Portability Act** — HB 818, handled by Sen. Loudon, makes private health insurance more accessible and affordable. Also allows midwifery in Missouri (more on page 4). Provision also ensures pregnant women are better informed regarding Down Syndrome testing.

**Pets in Restaurants** — SB 22 contains a provision to allow patrons' pets on restaurant patios.

**SB 302** — Sponsored by Sen. Loudon, the bill relates to real estate and mechanic liens.

**HB 221** — Sen. Loudon handled this bill that dramatically increases consumer protections by regulating companies offering motor vehicle extended service contracts and product service contracts. This new law will help keep fly-by-night outfits from ripping off consumers. For more information, see the Better Business Bureau web site: [www.bbb.org](http://www.bbb.org)

**Tax Relief** — Sen. Loudon crafted language in SB 556 to allow health insurance tax deductions. A modified version of this was attached to **HB 818** and **HB 444**. Now, individual policy buyers can enjoy the same tax deductibility as corporations.

# Insurance Reforms

During the past legislative session, we were able to enact several insurance reforms that, I believe, will save consumers money and encourage the growth of business in this state. Here are some of the highlights:

**House Bill 444** phases out the state income tax on certain Social Security benefits and some public pensions. An estimated 250,000 senior citizens will benefit from this much-needed tax relief. Sen. Loudon also added the provision to the new law to make health insurance premiums tax deductible.

Under the new law, Missourians will be able to deduct all of their qualified health insurance premiums.

**Senate Bill 577** contains a provision that now makes Long Term Care Insurance premiums deductible on your Missouri Income tax return.

**Senate Bill 215** sponsored by Sen. Loudon promises to bring hundreds of millions of dollars in economic activity to the state by allowing captive insurance companies to form in Missouri. Captive insurance companies are formed by a parent company to insure all or part of the parent company's or affiliate company's risks.

The "captive" can provide coverage such as health, accident, life, property or liability insurance. It provides several advantages including lower costs and premium tax relief. A company may achieve lower costs because they are self insuring and not buying insurance in the private market where they have to pay for the insurance companies' profit and administration costs.

This legislation is a major economic development tool that could create hundreds of jobs. An estimated 50 or more new captive insurance companies will be formed in the state over the next three years. Experts estimate taxes and fees from these companies will add as much as \$10 million to state revenues while creating plenty of high-paying jobs for Missouri all while saving businesses money.

**Senate Bill 66** Sen. Loudon brought title insurers and agents, home builders, real estate agents and bankers together with the state's insurance department to enact title insurance reform legislation. This legislation from SB 635, which Sen. Loudon sponsored, was added to SB 66 and contained the following provisions:

- Escrow funds are protected: they cannot be commingled with operating or personal funds.
- Banning kickbacks and disclosing of business affiliations: this helps ensure referrals are given for the right reasons.
- Minimum capital requirements to ensure title agencies are solvent.
- Annual audits: title insurers are required to conduct annual audits of title agencies.
- Continuing education requirements ensure professionalism of title agents.

**House Bill 818** is a comprehensive measure that covers several areas of health insurance (see more detail on page 4).

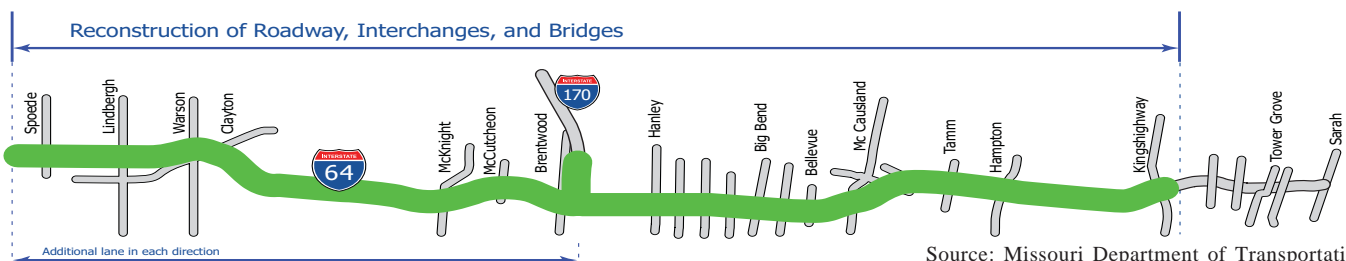


## The New Interstate 64

Highlights of The New I-64 project include:

- The rebuilding and upgrading of all pavement, bridges, and interchanges between Spoeede Road in St. Louis County and Kingshighway Blvd. in St. Louis City
- New high-quality interstate-to-interstate connection between I-64 and I-170

- Addition of one lane in each direction between Spoeede Road and I-170
- Increased traffic flow through better design, with elimination of short, tight entrance/exit ramps and merges, addition of dedicated exit lanes
- Enhanced safety with wider shoulders



Source: Missouri Department of Transportation

## News for Senior Citizens

We were able to pass several measures during the past legislative session that will be of special importance to the senior citizens of our state.

**Ending state taxation on Social Security benefits** — Missouri was one of just 15 states that still dipped into these hard-earned benefits.

**Senate Bill 577** — allows a deduction of all of the costs of premiums for long-term care insurance.

**House Bill 444** — An amendment sponsored by Sen. Loudon will allow Missourians to deduct 100 percent of their qualified health insurance premiums paid by taxpayers for themselves, their spouses, and dependents from their state income tax if the premiums aren't already exempted.

**Circuit Breaker Tax Credit** — increased the number of people who can participate in the Circuit Breaker Tax Credit. Seniors and people who are 100 percent disabled can receive a tax credit of up to \$750 under this program.

## Special Session

Two important measures were taken up and passed during the Special Legislative Session in August:

**Economic Development** — \$70 million package that raises the cap on the Quality Jobs Tax Credit and will encourage economic growth in the St. Louis area by giving incentives to developers who improve blighted areas. The New Market — Qualified Equity Investment Tax Credit will encourage economic growth by giving a tax credit for a percentage of the adjusted purchase price for qualified equity investments. This will encourage new business growth by giving those who invest in truly needy, low-income businesses, in urban and rural areas, a break on their taxes. The program will be capped at \$15 million a year.

**Bridges** — Gave the Missouri Highways and Transportation Commission authorization to use a "design-build-finance-maintain" method for its Safe & Sound Bridge Program to get more than 800 of Missouri's worst bridges in good condition and keep them that way for 25 years.

## Gubernatorial Appointments from the 7<sup>th</sup> Senate District

During the 94<sup>th</sup> General Assembly of the State of Missouri, I have been honored to sponsor the gubernatorial appointments of the following 7<sup>th</sup> Senate District residents:



*Dr. Nuzhat Nisar, Children's Trust Fund Board*



*John P. Tvrdik, Missouri State Board of Accountancy*



*W. Tom Reeves, MO Higher Education Loan Authority*

*Not pictured:*

*Dr. Eric J. Aubert,  
Missouri Dental Board*

*Roslyn M. Morgan,  
Missouri Consolidated Health Care Plan Board of Trustees*

*Charles G. Misko,  
Missouri Real Estate Commission*

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