

# Senator Chuck Purgason

District 33

Capitol Report

Dear Friends,

The 2009 Legislative Session was unlike any other I have experienced in my 13 years in the General Assembly. It was like a roller coaster ride of ups and downs with sudden changes in different directions. Yet, despite a weakened economy and the challenges of utilizing the one-time \$4 billion in federal stabilization funds wisely, the General Assembly succeeded in passing a balanced budget of \$23.1 billion — WITHOUT raising taxes — increased funding for education at all levels, and drew on a nearly \$800 million reserve stockpiled over the last several years. We also succeeded in passing a number of new laws that will benefit the citizens of Missouri.

As chairman of the Governmental Accountability and Fiscal Oversight Committee and a member of the Senate Appropriations Committee, I spent much of my time in Jefferson City this session working to ensure the long-term viability of the state's fiscal budget, protecting taxpayers by fighting back any attempts by the General Assembly to spend outside the state's financial means,

and fighting for responsible management and oversight of the state's tax credit system.

As a fiscal watchdog of your state tax dollars, I also fought to protect small business owners with a reprieve from governmental intrusion by championing the "*Big Government Get Off My Back Act*" — which bans increases in some user fees and prevents new regulations on companies with less than 25 employees over the next four years. I also supported the phasing out of the corporate franchise tax over the next several years. Both measures, passed in House Bill 191, will help small business — the economic engine of our state — gain a foothold and help put our state's economy back on track.

As we look ahead to 2010, it will be imperative for Missouri lawmakers to continue to reject the bailout mindset, end unaccountable spending, make common-sense decisions, and focus on accountability and oversight. If we do, we will keep Missouri on a strong, fiscally sound path.



## Featured in this Issue:

Saving Your Tax Dollars

Reining In Government Excess

David's Law

Missouri Budget



## Saving Your Tax Dollars

Several good things came out of the General Assembly's highly debated jobs bills (House Bill 191)—passed on the last day of the session—that will help create a climate for putting more Missourians back to work and improving our state's economy. One of the major things missing was comprehensive tax credit reform.

Several lawmakers and I pushed for tax credit reform in this legislation to address our state's runaway tax credit system. Tax credits, a dollar-for-dollar reduction in tax liability that would otherwise be due to the state, have exploded in the last 10 years by approximately 107 percent, primarily due to lack of oversight and accountability. Because of these tough economic times, I proposed placing a two-year moratorium on the entire state tax credit program in Senate Bill 121. After five months of debate by lawmakers on tax credit reform, my efforts, along with others to rein in the millions of dollars that are distributed each year for these special tax credit programs met with partial success. In House Bill 191, lawmakers agreed to limit the amount of tax credits that can be authorized by the Missouri Development Finance Board and placed a first-time cap on the state's largest tax credit program—Historic

**"The Big Government Get Off My Back Act" will help revive small business — the crucial engine that drives our state's economy."**

**— Sen. Chuck Purgason**

Preservation Tax Credits. In addition, they increased the cap on the Quality Jobs Act, the Missouri BUILD (Business Use Incentives for Large-Scale Development), and the New Markets Tax Credit Program—a move I fought against since the first caps on these programs were not met.

Missouri small business owners are the real winners of House Bill 191. Small businesses, the backbone of our state's economy, will receive tax relief through the General Assembly's decision

to phase out the corporate franchise tax. This exemption applies to small business in Missouri with less than \$10 million in assets and includes 82 percent of all businesses that owed or paid the franchise tax in the last tax year.

**"Big-Government Get Off My Back Act"**

In addition, I supported and helped advance legislation to benefit small business called the *"Big-Government Get Off My Back Act"*—a measure that bans the increase in some user fees and prevents new regulations on companies with less than 25 employees for four years.

Both of these progressive measures for Missouri's small business community will provide some real relief to those have been hard hit by the lagging economy.

## Reining In Government Excess

At the beginning of the year's legislative session in January, Missouri lawmakers were faced with the startling prospect of over \$800 million in red forecast for the state budget due to the weakened economy. Amid this budgetary turmoil, in glides the Christmas sleigh—without Santa Claus, but with the red, white and blue suit of Uncle Sam bringing billions of dollars worth of "presents" to Missouri to help with our wish lists.

Missouri lawmakers ultimately did adopt a balanced budget, as is required by our state constitution. And, thankfully, Missouri has fared better than most states during this financial crisis because of sound fiscal management over the past several years. Incredibly, though, each year's budget tally balloons exponentially. In 1990, Missouri's budget totaled roughly \$7.5 billion. In 2000, it had grown to \$16.8 billion. The budget for 2010 is \$23.1 billion—three times the tab from just 20 years ago.

I stood up throughout the session in budget negotiations and during deliberations on the Senate floor—often the lone voice fighting to put the brakes on runaway government spending. I warned fellow lawmakers about the dangers of using the federal government's \$4 billion credit card, of succumbing to the temptation to "spend our way out of

economic distress," and urged them to use common fiscal sense to ensure taxpayer dollars are managed wisely. There simply is no sense in the feds trying to spend the nation's way out of a recession. And the bill for this round of spending is coming to you, your children and their children, too. These aren't the kinds of Christmas gifts that keep on giving; they keep on costing.

And while putting together the state's annual spending plan takes a good deal of the Legislature's time, there's still plenty of time for lawmakers to advance all sorts of "great" ideas that more often than not morph into legislation that either takes more money out of your wallet, puts more restrictions on your livelihood and pursuit of happiness—or both. Consider this: from Missouri's beginning in 1821 until 1959 we had accumulated only about four volumes of statutes, which, if you stacked the books up, would only amount to about nine inches of printed laws. Today we have over 25 volumes of statutes, which, if you stacked the books up, would amount to nearly 50 inches of printed laws

Like clean air, government is at its best when you don't see or smell it. It's when lawmakers, be they state or federal, increase your personal taxes and decrease your personal liberties that the environment turns foul and oppressive.



## David's Law

Legislation to increase the awareness of the impact of drunk driving and to establish a drunk driving memorial sign program in Missouri were successfully advanced by Sen. Purgason and passed in House Bill 91.

House Bill 91 creates David's Law, which will require the Missouri Department of Transportation to establish and administer a drunk driving risk reduction awareness program in which memorial signs may be purchased and placed at the locations of fatal alcohol-related accidents.

Under the provisions of the new program, families may sponsor a drunk driving victim memorial sign in memory of an immediate family member who died as a result of a motor vehicle accident caused by a person operating a vehicle while intoxicated. The signs will resemble a Missouri license plate and will feature the words "Drunk Driving Victim!", the initials

of the deceased victim, the month and year in which the accident occurred, and the phrase "Think About It!" Signs can be erected for period of up to 10 years.

The transportation-related legislation also establishes an interstate interchange designation program to be known as "Heroes Way Interstate Designation Program."

The program will honor fallen Missouri heroes who have been killed in action while performing active military duty with the armed forces in Afghanistan or Iraq on or after Sept. 11, 2001. Under the program, the Department of Transportation will submit applications to the General Assembly's Joint Committee on Transportation Oversight for approval. An approved interchange sign may be erected for 20 years.

In addition, House Bill 91 designates a bridge in Laclede County as the "Specialist James M. Finley Memorial Bridge" to honor the late James Finley, 21, of Lebanon, MO, who was killed near Jalalabad, Afghanistan, in May of 2008.

Finley, a 2005 graduate of Lebanon High School, died when a suicide bomber detonated a car bomb in the vehicle he and another soldier were riding in. Finley was a member of the 173rd Special Troops Battalion, 173rd Airborne Brigade Combat Team based in Bamberg, Germany.



**SPC James Finley**



**Sen. Purgason arguing for House Bill 91 on the Senate floor during the spring session.**

## Landowners' Rights

Many landowners in southern Missouri experiencing a problem with major gravel build-up in their streams now have more protection for managing their water resources through the passage of House Bill 246.

The new legislation, which I advanced in the Senate, allows Missouri landowners to remove up to 3,000 tons of accretion of gravel in their streams over the course of a year without obtaining a permit if their primary purpose is to eliminate the accumulation. In instances when the gravel is intended to be sold, a permit from the Missouri Department of Natural Resources is still required.

A build-up of gravel in streams can have a negative effect on stream banks and aquatic wildlife and this measure will help landowners pay less and save more time maintaining healthier streams.

## Tractor Parades

Youth groups involved in fund-raising tractor parades can legally fire up their engines and drive for a good cause thanks to new legislation that preserves this popular rural Missouri tradition.

House Bill 93, which included proposals I co-sponsored in Senate Bill 293, allows the superintendent of the Missouri State Highway Patrol to exempt tractors from certain width, height, length and license plate display regulations under certain circumstances and grants a legal way to host these fun agriculture-themed events.

I'm pleased the new legislation will work to ensure that this favorite pastime is legal and safe and that our youth can continue this wonderful tradition of showing their support for Missouri agriculture.

## Contact Senator Purgason



201 W. Capitol Ave., Room 420,  
Jefferson City, MO 65101

Phone: 573-751-1882  
Fax: 573-526-4716

### Email:

[www.Chuck.Purgason@senate.mo.gov](mailto:www.Chuck.Purgason@senate.mo.gov)

### Web:

[www.senate.mo.gov/purgason](http://www.senate.mo.gov/purgason)

## Senator Chuck Purgason

201 W Capitol Ave  
Room 420  
Jefferson City, MO 65101

Presorted Standard

U.S. Postage

PAID

Jefferson City, MO 65101

Permit No. 220

## 2009-2010 Budget for the 33rd Senate District

### MO State University, Springfield

Funding ..... \$90,074,222  
One-Time Funding ..... \$2,198,607

### State Schools for the

Severely Handicapped ..... \$1,258,115

Public Schools Funding For District 33 ..... \$100,747,990

South Central Correctional Center ..... \$ 12,235,583

### MO State Parks in District 33

Lake of the Ozark State Park ..... \$1,014,899  
Ozarks Caverns ..... \$ 61,082  
Ha Ha Tonka State Park ..... \$318,791  
Bennett Springs State Park ..... \$752,690  
Current River State Park ..... \$390,095  
Grand Gulf State Park ..... \$73,353

### Tax Collection Bill Vetoed

The governor vetoed a bill that I advanced in the Senate (House Bill 306) that would have allowed a board of directors of a lake-area business district to enter into an agreement with the Missouri Department of Revenue to collect unpaid transient guest taxes.

The legislation, passed by the General Assembly, would have shifted the burden of collecting the local lodging tax to the state. Enforcement of the 3 percent lodging tax has been a major concern in the Lake of the Ozarks region because some who advertise lodging and do business over the Internet have ignored paying the tax. The bill included a provision that would have allowed DOR to keep a percentage of the collections to cover cost.

In his veto letter, the governor said he didn't favor state government involvement in the matter. Obviously, I disagree with his decision.

## DISTRIBUTION OF EACH TAX DOLLAR FY 2010 MISSOURI OPERATING BUDGET

All Funds: \$23.087 Billion



1. Judiciary, Public Safety & Corrections 6.08¢
2. Public Debt .40¢
3. Health & Mental Health 9.11¢
4. All Other Agencies\* 4.52¢
5. Economic Development, Labor, and Insurance 2.19¢
6. Agriculture, Conservation, & Natural Resources 2.29¢
7. Social Services 32.32¢
8. Employee Benefits 4.14¢
9. Transportation 9.82¢
10. Desegregation Settlement .04¢
11. Elementary and Secondary Education 23.45¢
12. Higher Education 5.65¢

\* Revenue, Office of Administration, Elected Officials, General Assembly, & Real Estate

Source: Missouri Senate Appropriations Committee