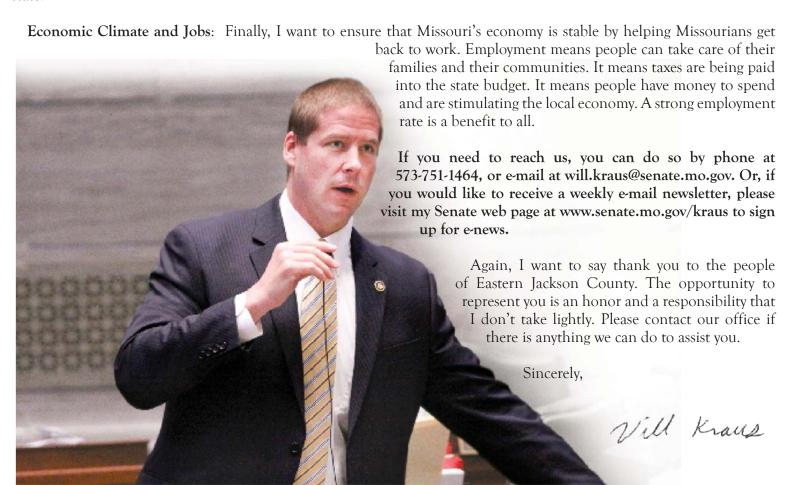


To my friends in the 8th District:

Early this session, we developed a mission statement to focus the efforts of myself and my staff in serving you. This mission statement emphasized three objectives: focusing on the people, practicing fiscal responsibility, and fostering a positive economic climate and creating jobs.

Focus on the People: I want to make sure that each person I represent understands that I appreciate the honor of being the voice of the 8<sup>th</sup> District in the State Capitol. Both myself and the 8<sup>th</sup> District office are always available to listen to concerns or answer questions. Our job in Jefferson City is to listen to and stand for the people.

**Fiscal Responsibility**: In addition, as the person you have entrusted to speak for you, it is the job of this office to be fiscally responsible with your tax dollars. As a taxpayer myself, I wouldn't want someone in this office who didn't question how money was spent. Funds should be spent wisely, and waste should be cut, in order to provide the best options for our state.



 $Senator\ Will\ Kraus-573.751.1464-will.kraus@senate.mo.gov-Page\ 1$ 

## **End of Session**

The 2011 session was marked by two stark realities. One, Missouri had less General Revenue to work with — about \$676 million less than in 2010 — to craft the Fiscal Year 2012 budget. Two, as of the last day of session, 8.9 percent of Missourians are still out of work, making it imperative to pass initiatives that help spur job creation and put Missourians back to work.

Fortunately, we were able to pass a budget on time without raising taxes, pass some legislation that saved money, and pass other legislation that created a better economic climate for business in Missouri. We were able to do all this with less money and still hold education funding flat — another priority for this session.

## **Fiscal Responsibility**

#### Use of Stimulus Funds

This year, I voted several times against the use of federal stimulus dollars, when proposed for use for on-going expenses. I am convinced that the fiscally responsible thing to do is to deal with our state shortfalls now, rather than kick the can down the road by accepting one-time federal funds. Whether we in the Senate were discussing education funding (HB 14), unemployment insurance (HB 163), or pure stimulus spending (HB 18), I felt it was my responsibility to ask the hard questions and advocate for Missouri's taxpayers, especially those in the 8<sup>th</sup> District.

#### Elections

For taxpayers, it costs money to hold a local election on days other than when a primary or general election is already being held. Currently, there are five election days in a given year, during February, April, June, August, and November. I advocated for removing two of these days, one in February and one in June, from the election calendar so that local jurisdictions could no longer hold elections on these days. I'm happy to say that SB 282 was delivered to the governor, and it contained one of my provisions that June be removed as an election date.

#### Temporary Assistance for Needy Families

Also this session, I sponsored SB 74, which would require drug testing, based upon reasonable cause, for work-eligible TANF applicants and recipients. I see this as an issue of wasting taxpayer dollars when state assistance goes to people who are going to turn around and use the money to buy drugs. Via another bill, HB 73, this requirement was approved by the Legislature and sent to the governor for signature. House Bill 73 requires drug testing for TANF recipients, with those testing positive to complete a drug treatment program and not test positive again in order to regain their benefits.

Are you interested in receiving my weekly Capitol Report e-mail? If so, please send your name, address, and e-mail to will.kraus@senate.mo.gov.



Senator Will Kraus speaking on the Chamber floor.

## **Economic Development**

This session, the Legislature passed three bills to spur economic development and job creation in the state. Our goal was to help families survive by enabling employers to keep and create better paying jobs with benefits.

#### Corporate Franchise Tax

To meet the goal of enabling employers to invest in working families rather than government growth, SB 19 phases out the corporate franchise tax. It limits, and then ends, the double taxation on employers so they can invest in hiring new employees instead of growing government through higher taxes. By ending this double taxation altogether, it removes this disincentive for companies to invest in Missouri.

Corporations will continue to pay income taxes on income earned by the corporation, sales taxes on some business inputs, and property taxes on land, structures, and personal property.

### Unemployment Taxes

The Legislature passed a compromise bill, HB 163, which extended unemployment benefits from 79 to 99 weeks. The additional weeks are paid with funds from the federal government. However, as part of that bill, we also included a reduction in Missouri's share of initial unemployment benefits from 26 to 20 weeks. This saves Missouri businesses more than \$100 million a year. By reducing this cost to businesses, it will encourage them to hire and expand, thus creating new jobs.

#### Help for Small Businesses

For tax years 2011 through 2014, HB 45 authorizes an income tax deduction for a small business for each full-time job created with an annual salary of at least the county average wage. In addition, the definition of a small business was revised to include businesses with fewer than 50 employees instead of the current 25.

# <u>Legislative Successes</u>

One of the first things you learn in any legislative body is that there is more than one way to pass needed legislation. Proposed legislation can often be amended to another bill, or it can be combined with other bills through the committee process. This year, seven of the bills I introduced are on their way to the governor in various ways:

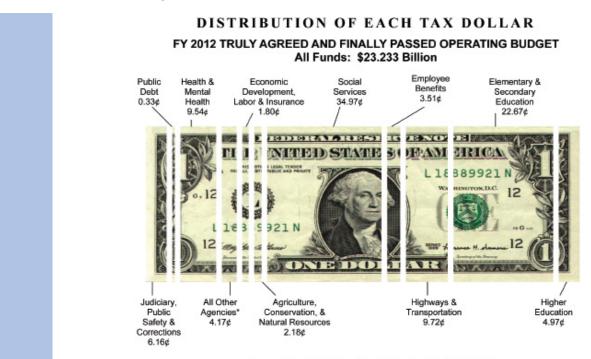
- 1. SB 74 created drug screening for TANF recipients. Similar legislation (HB 73) passed both bodies late in session. (See page 2 for more information.)
- 2. SB 112 protected third party reporters of child abuse from lawsuits. Similar language to what I introduced passed in SB 54.
- 3. SB 180, which designates holidays for bicycle and pedestrians events, was passed and sent to the governor for his signature.
- 4. SB 270 removed two election dates. SB 282, which I amended, removed June as an election date and is headed to the governor. (See page 2 for more information.)
- 5. SB 271 modified two Kansas City Police Department pension funds. The House version (HB 183) passed and the language was also included in a larger pension bill (HB 282), which also passed.
- 6. SB 399 modified laws related to rental services, making it a crime when rented property is returned but not paid for. It was included in HB 111, which passed in the final hour of session.
- 7. SB 400 modified laws related to sexual contact with a student. It also passed in HB 111. This act adds elected and appointed officials of the public school district to the types of people who may not have sexual contact with a student, and broadens the crime to include acts committed outside of school property



For more information about legislation that I sponsored, please visit my Senate website at www.senate.mo.gov/kraus.

# Missouri's 2012 Budget

Thirteen budget bills, totaling \$23.2 billion, were approved for the next fiscal year starting July 1. I voted against most of the budget bills because we are using close to \$400 million in one-time federal funds that will not be available next year. Using one-time money for on-going budget items is irresponsible. This year, education remained a top budget priority for the Senate. Overall, funding for our public schools remains flat compared to Fiscal Year 2011. Higher education was cut by 5.45 percent; this is a smaller cut than the 7 percent cut proposed in the governor's budget. We increased funding for early childhood special education, the Parents As Teachers Program, and the A+ Schools Program.



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



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## Your 8th District

## Town Hall Meetings

#### Lee's Summit

On Monday, July 25, I will be hosting a town hall meeting in Lee's Summit. Representatives Jeff Grisamore (House District 47), Mike Cierpiot (House District 56), and Gary Cross (House District 48) also plan to be in attendance, so it is a great chance for you to talk with your state elected officials. We will be there to discuss this year's legislative session and to answer any questions that you might have about state government. It will be held at Lee's Summit City Hall City Council Chambers, 220 SE Green, from 6:30 p.m. to 8:00 p.m. I hope to see you there!

#### Blue Springs

On Tuesday, July 26, Rep. Sheila Solon and I will be hosting a town hall meeting in Blue Springs. It will present several opportunities for you to meet with your elected officials from the Blue Springs area. From 6:00 p.m. to 7:30 p.m., Rep. Sheila Solon (House District 55) and I (Senate District 8) will be available to discuss this year's legislative session and to answer any questions that you might have about state government. In addition, Blue Springs City Council members Ron Fowler and Grant Bowerman will be available to answer questions about local government. It will be held at Moreland Ridge Middle School, 9000 SW Bishop Drive, Blue Springs. I hope to see you there!

## District Day

Every year, I like to host a District Day where my office organizes a day-long event in Jefferson City. It is a key element of my communication with constituents of District 8. This year, about 70 people attended, and I enjoyed visiting with them.

Time is scheduled for the attendees to meet with me in the Senate Chamber for a question and answer session. The day also includes tours of the Capitol, Governor's Mansion, and the Supreme Court.

If you are interested in attending a 2012 District Day, please contact my office and we will put your name on a list to be notified when a date is set. We can be reached at 573-751-1464 or will.kraus@senate.mo.gov.



Senator Kraus meets with constituents during their visit to the Capitol on District Day 2011.