

# Growing Our Economy/Balancing Our Budget

#### **Broad-Based Tax Relief**

Over the last several years, I've been working in the Legislature to reduce taxes across the board for individuals and businesses. I've always believed that a key to economic growth and prosperity is reducing the tax burden on hard-working Missourians.

In 2014, and for the first time in almost a century, we worked together to pass a broad-based tax relief bill. As a primary author of the largest tax cut in the history of the state, I'm proud to say we are finding a new path to prosperity for more Missourians. We overrode the governor's veto of Senate Bill 509 by historic numbers. With the ultimate passage of this legislation, we'll eventually see a reduction in our income tax from 6 percent to 5.5 percent, allowing more take-home pay for Missourians.

The measure is also the first substantial tax cut for small business owners in decades. This will allow every small business, from the owner of the pizza parlor on the corner to the entrepreneur who started their dream business, to reinvest that money into job creation and expansion. Once fully phased in, every small business will have their tax burden reduced by 25%.

Finally, the legislation increases the standard deduction by \$500 for those making less than \$20,000 a year. The bill truly benefits everyone in the state, spurring the kind of economic activity that can put our state on a path to prosperity.

It's also important to point out that the legislation contains a number of protections. The reductions don't start for two years, and are phased in over a five-year period tied to revenue growth. In essence, growth in revenue is returned to taxpayers.

This means that if revenue from the previous year hasn't increased significantly, the next phase of the tax cut doesn't go into effect until receipts to the treasury increase again. This protects our ability to fund the most important state services, like education, while providing much-needed, and long overdue, tax relief.

#### **Budget Breakdown**

Creating the annual state budget is one of, if not the most, important task the Legislature undertakes each year. The budget put forth represents the priorities of the General Assembly. We chose to invest heavily in education and mental health.

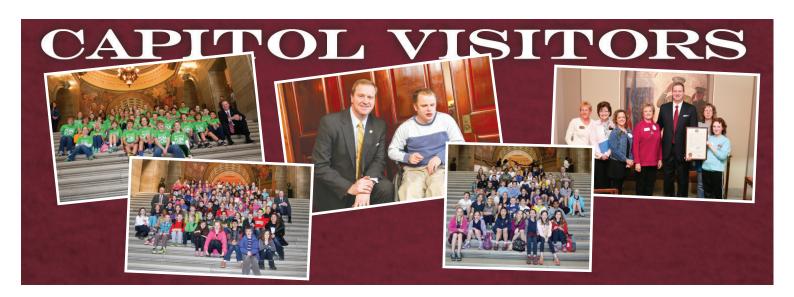
This year, the governor proposed a budget that was \$1.3 billion more than the one passed by the Legislature. Had we used his revenue collection predictions, we'd be facing a significant shortfall. Instead, legislators took a more conservative approach. The budget crafted by the General Assembly is balanced, while still including significant increases in education funding, programs for our most vulnerable citizens and promoting economic growth in the state.

Despite this, the governor had a series of indefensible withholds to education and numerous line-item vetoes that fund critical programs, such as mental health facilities, support for sexual abuse victims and services for those with disabilities.

Through bipartisan support, we were able to restore funding for various line-items during our recent veto session in September, including:

- \$1.45 million for forensic exams (rape kits) for abused children:
- \$500,000 for sexual assault victims;
- \$2.5 million for reading instruction for students in struggling school districts;
- \$200,000 for individuals with developmental disabilities to access dental care; and
- \$1.3 million for autism services.

The Legislature worked hard to create a <u>balanced budget</u> that reflects our priorities. I hope in the future, the governor will work with the Legislature to resolve these types of issues while we're still in legislative session.



# Protecting Our Most Vulnerable New Treatment for Epilepsy



Imagine watching your child have uncontrollable seizures every day right in front of you and not being able to do anything about it. You have tried several anti-seizure medications and they have not worked. Now, also imagine there is a treatment that has dramatically reduced the number of seizures, or in some cases stopped them altogether, but you can't legally access it in Missouri yet it is legal in other states. You have to decide whether to uproot your family to access this treatment for your child diagnosed with epilepsy or go without

whether to uproot your family to access this treatment for your child diagnosed with epilepsy or go without the treatment: the treatment that might save your child's life. Sadly, families all across our state are being forced into this position because Missouri law doesn't allow access to something called CBD Oil, which is a non-hallucinogenic hemp plant extract. It is orally administered and has been effective in controlling seizures for children diagnosed with epilepsy and is legal in other states.

Missouri families should not have to leave their home state, their families, schools, support networks and jobs for another state to access CBD Oil to help their children.

As some of you know, our 10-year-old son Stephen suffers from daily seizures, some of which have caused him to stop breathing and some have even caused him to go to the Emergency Room and have lasted hours. The seizures can be scary and life-threatening. Parents would do anything to help their child. After being approached by advocates I decided to do something about this problem and to eliminate the unnecessary government-created obstacle standing in between a child and a potentially life-altering or life-saving treatment.

So, this year I handled a bill that would change the law and allow Missouri families to access this potentially lifesaving treatment. I am proud to say the legislation passed unanimously in the Senate and overwhelmingly in the House, supported by conservative and liberal members alike. I was grateful Jaime and I could lend our voices to the debate. We have walked where these families have walked and it was the right thing to do. It was a great moment and an example of how we can come together and do things that make sense for our constituents, for our state and most importantly, for some of our most vulnerable children. Thousands of children will eventually benefit from the passage of the law and I am proud to have helped lead the effort.

#### **Making the Change**

The word "retardation" is an outdated, archaic term with negative connotations.

Times have changed dramatically. The word "retardation" and "retard" are no longer socially acceptable terms. However, old statutes and rules still use the phrase. That's why I handled House Bill 1064 this year, which removes references to the phrases "mentally retarded" and "mental retardation" from Missouri statutes and replaces them with "intellectually disabled" and "intellectual disability."

I was also proud to advocate for additional support in the budget for programs that help our most vulnerable citizens, including increases in funding for services for individuals with autism and other developmental disabilities that save money in the long run.

## **Emergency Registries**

This year I sponsored Senate Bill 767, a bill that allows the creation of a voluntary registry of persons with health-related ailments to assist first responders and emergency workers. For example, if there was an emergency in a high rise where a number of individuals require special care in an evacuation, those first responders would have information allowing them to more efficiently coordinate rescues and emergency services.

Again, the registry is completely voluntary, and has strong builtin protections that would prevent the information from ever becoming public. Similar proposals have been enacted in other states.

# **Fighting For Our Students**

Education is a top priority. This year, though, the topic took on a new sense of urgency as a result of the school transfer law affecting two unaccredited districts in St. Louis County. From the beginning of session, one of our main goals was finding a legislative solution to a problem that has plagued our state for some time.

Through months of work, lots of compromise, and overwhelming bipartisan support, we were able to pass this year Senate Bill 493, of which I was a sponsor, which addresses the school transfer law while also tackling the overall problem of unaccredited schools in Missouri and keeping the students hoping for a better education the center of our reform efforts.



The final version of the bill provides reasonable criteria for local receiving districts to set classroom size and takes into account a school's capacity level. This provision protects school districts in our area from being forced to build new buildings and hire new teachers to accommodate a large number of transfer students.

The bill also calls for accrediting school buildings, not districts, allowing for earlier intervention and reforms to empower classroom teachers. Additionally, the bill provides more options for students, including increasing access to charter schools. Furthermore, a provision I sponsored allows for a longer school day and year, which studies show has a profound impact on students' ability to learn, especially in at-risk communities.

The General Assembly worked tirelessly on this issue, and I'm proud of how we came together in a bipartisan manner, put politics aside, and did what needed to be done to ensure the students in our state are given every opportunity to succeed. Seventy percent of legislators voted for the bill. Unfortunately, the governor vetoed it.

#### State Senator Eric Schmitt

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### **Senator Schmitt's Legislative Successes**

Senate Bill 493 modifies provisions relating to student transfers, school accreditation and charter schools.

**Senate Bill 496** phases in an income tax deduction for small business owners, and was incorporated into the broad-based tax cut measure Senate Bill 509, of which Sen. Schmitt was a key author.

Senate Bill 689 allows the sale of beer in any package containing one or more bottles, cans or pouches of beer.

**Senate Bill 767** allows the creation of a voluntary registry of persons with health-related ailments to assist individuals in case of a disaster or emergency.

**Senate Bill 852** allows police on the Kansas border to provide mutual aid, provides compensatory time for corrections officers and streamlines oversight of corporate security advisors.

Senate Bill 869 allows the Department of Social Services to suspend adoption subsidies when those parents are abusing their children and to ensure the children are placed in a safe environment.

House Bill 1064 removes references to the phrases "mentally retarded" and "mental retardation" from statute and replaces them with "intellectually disabled" and "intellectual disability."

House Bill 1304 eases regulations on entrepreneurs in the robust home brewing community.

House Bill 1831 creates more options for in-home daycares while ensuring the safety of children cared for in these locations.

House Bill 2238 allows the use of hemp extract for the treatment of intractable epilepsy and creates licensing and registration procedures.