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Strategic Government Relations

The Powers Report

A Weekly Summary of Activities in Jefferson City

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This was bizarre

Lobbyist James Harris this week sent a memo to Republican state senators that appeared to encourage them to lobby the state supreme court on a pending case – *Klotz v. St. Anthony's* – that could lead to the court overturning a recent tort reform law.

Harris wrote: “I encourage you to speak with members of the court and be prepared to act if they overturn the law.”

With breathtaking speed, the general counsel to the President Pro Tem of the senate fired off his own memo to the senators: “Please know that any ex parte communication from you with the judges about this case or any issue before the court may involve serious legal ramifications and should be avoided at all costs.”

It’s not unusual for constituents to call senators and ask them to intervene in pending legal cases, because the constituents aren’t aware of the “legal ramifications” that could result if the senator actually did intervene. It’s not something most people would know.

Harris is the executive director of Better Courts for Missouri, the group trying to change the way non-partisan judges are selected – including the state supreme court.

What did you say?

The House ethics committee heard some more ethics bills this week from both parties. Starting next week, the committee plans to actually get to the work of writing a bi-partisan ethics bill and try to move it to the floor for debate.

Rep. Gary Dusenberg (R-Blue Springs) is one of the rare Republicans advocating for the reinstatement of campaign finance limits. And he didn’t mince words when he presented his bill to the committee.

“An environment has developed, and it’s called pay to play,” he said bluntly. “Whether we admit it or not, it exists. When people with lots of money get to say what bills are heard or not, that is not fair. These incidents do not pass the smell test, folks.”

He did not provide specifics.

Over in the Senate ethics committee, Sen. Joan Bray (D-St. Louis) had a different take on the need for campaign finance limits: fairness. She said the current system of unlimited contributions “clearly favors white male candidates. Women and people of color absolutely lose.”

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“To put it simply, we’re broke.”

That’s the assessment of Davis Minton, a deputy director of the Department of Natural Resources. DNR gets very little general revenue. Most of its funding comes from fees paid by the entities DNR regulates. In many cases, that funding model is simply broken.

The fees that support the clean water program are set to expire this year after getting a one-year extension last year. Those fees don’t generate enough money to support the program, and DNR is not real popular with a lot of very key legislators at the moment.

As for other DNR programs like air quality, solid waste, and hazardous waste, those funds are all on the brink of insolvency.

What happens if DNR collapses? The EPA steps in, and that has many of the entities currently regulated by DNR shuddering. They’d much rather deal with state regulators than the feds. But what to do?

Long term, the broken funding models need to be fixed. As one example, the solid waste management program relies on fees that depend on how much trash people throw away. More garbage equals more money. But people are throwing away a lot less stuff these days, and that trend will likely continue as people focus on being green. For instance, all the Super Wal-Marts and Sam’s Clubs used to throw away their food waste to be trucked to a landfill. Today, all that food waste is being sent to compost facilities. That trend will also continue. A better funding model might be to base landfill fees on the footprint size of the landfill instead of the number of tons being buried.

But the big question is: how does DNR survive the short term crisis to get to the long term? They can’t rely on a boost from general revenue. Looking closely at the governor’s proposed budget this week, several legislators were shocked to discover the budget relies on \$300 million in federal money that is not – at this point – guaranteed.

House Speaker Ron Richard tweeted this: “We’ve been looking over the budget this week. Gov Nixon bought a \$300 million Powerball ticket from Nancy Pelosi and he’s crossing his fingers.”

Fair Tax has an “oopsy-daisy” moment

A public hearing in a Senate committee this week packed ‘em in like sardines. The “Fair Tax” would eliminate the state’s income taxes and replace them with a broad sales tax on nearly every transaction. The initial estimate on the new sales tax rate was 5.11%.

But supporter Ed Robb – a former state representative and before that a University of Missouri economist – said the 5.11% figure was based on bad data and predicted the rate would probably have to be 6.2% to raise the same amount of money as the current state income tax system.

Other economists testified the rate could be as high as 11% -- plus all the local rates.

If the measure is approved by the general assembly – which is far from certain – it would be put to a vote of the people.

Both chambers vote to reject changes to farm land values

The House and Senate both this week passed their own resolutions to reject the State Tax Commission decision to alter the productivity values of Missouri farm land. While the tax commission voted to decrease the values of the worst land – the steep, rocky stuff – the

commission voted to increase the value of the best land – like the kind that grows all that rice in the Bootheel – the overall effect was an estimated property tax increase of 11% on farmers.

“This is not the time to raise taxes on anyone,” noted Rep. Brian Munzlinger (R-Williamstown).

The House vote on HCR 7 was 140-15. The Senate vote on SCR 35 was 29-3. But both chambers have to pass the same version, which shouldn’t be difficult. They have until the start of Spring Break to act or the tax commission decision takes effect. (The pertinent statute – 137.021 – gives the legislature sixty days from the start of session. But some of us have Spring Break on our mind, which just happens to be when the 60-day deadline falls.)

About 175 bills filed this week

Here are all the highlights, from a teenage wage to April’s Law:

- HB 1792 allows employers to pay teenagers 75% of the state minimum wage, as long as it’s not lower than the federal minimum wage.
- HB 1796 requires state approval to raise any insurance premium 15% or more.
- HB 1801 requires public schools to notify parents when kids skip school and allows driver’s license suspensions for excessive absences.
- HB 1802 allows Missourians to buy rifles and shotguns in any state and allows residents of any other state to buy rifles and shotguns in Missouri.
- HB 1803 requires random drug testing of teachers.
- HB 1804 requires ignition interlock devices for first-time DWI offenders.
- HB 1819 exempts new vehicles assembled and sold in Missouri from the state sales tax.
- HB 1826 prohibits the Gaming Commission from taking away the casino license of poorly performing casinos. This is a reaction to the Gaming Commission decision to revoke the license of the President Casino in St. Louis.
- HB 1836 allows excuse-free absentee balloting.
- HB 1843 allows students to lock in tuition rates at Missouri public colleges and universities.
- HB 1847 establishes a system to determine the liability insurance status of vehicle owners.
- HB 1848 creates the Urban Farming Task Force to study vertical farming.
- HB 1850 prohibits discrimination based on a person’s sexual orientation.
- HB 1851 declares nuclear power a renewable energy resource.
- HB 1852 requires a partition between the front seat and back seat of all taxicabs.
- HB 1861 creates the Missouri Books from Birth Program to encourage pre-school children to read.
- HB 1871 requires compost facilities to register with the Department of Natural Resources.
- HB 1872 prohibits the use of any public funds to hire a lobbyist.
- HB 1876 prohibits lenders from imposing a fine, fee, or penalty for prepaying a loan.
- HB 1879 requires public schools to provide disability history and awareness instruction and declares October “Disability History and Awareness Month.”
- HB 1883 prohibits new signs from containing the words “handicap parking” or “handicapped parking.” Recommended alternative: “Accessible parking.”

- HCR 44 expresses opposition to discriminatory taxes on food or beverages to “help hardworking Americans retain their tenuous hold on financial security.”
 - HJR 86 guarantees the right to raise animals in a humane manner.
 - SB 822 increases the seat belt fine from \$10 to \$50.
 - SB 832 creates the Large Carnivore Act which regulates the possession and care of things like lions and tigers and bears, oh my.
 - SB 848 declares methane from farm animal manure a renewable energy resource. “Old Macdonald’s Law”
 - SJR 38 would have the legislative session conclude at the end of March instead of the middle of May. “April’s Law”
- Direct any questions to your lobbyist.

Quote of the Week

Rep. Jake Zimmerman (D-Olivette) while presenting his ethics bill this week:

“We have put ourselves in the category of laughingstock of the nation on the ethics front.”

Have a good week, and try not to be a laughingstock!

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