

**West County Democrats
Legislative Update
December 11, 2017**



Federal Items:

As bad as things look now, they will be substantially worse in 2018.

Both the House and Senate will soon pass “tax reform” – though it may not happen in time for Santa to deliver it. The changes will become effective January 1, 2018 no matter when they are enacted.

The murder of the “Death Tax” is certain, as is a lower corporate tax rate. It is considered very likely that high medical expenses will lose deductibility. The Personal Exemption (which means the most of middle-class families with more than one child) will also probably not survive. By some estimates, as many as 40% of middle class families could actually see their tax burden grow over the next few years due to these “tax cuts.”

The end of the first quarter of federal Fiscal Year 2018 is December 31st. Many inside the beltway types no longer expect Congress to pass a true budget for this fiscal year: the problem is not Democratic opposition, no, the issue is an on-going Republican Civil War which has taken Speaker Ryan and Senate Pro-Tem McConnell hostage. Congress did act to avoid a government shut-down and increase the national debt. Unfortunately, the clock stops again on December 22nd.

The lack of a budget may be a good thing. Ineptitude is preventing new, deep cuts to social programs within the Trump administration’s budget. Paying for the tax cuts will require draconian reductions in virtually all social programs over the next decade.

Many routine bills are not getting pushed through the sausage factory. For example, the re-authorization of the largely non-controversial Children’s Health Insurance Program is now three months overdue. Washington folks wonder if the Farm Bill – a once every five years exercise – will get passed before it expires next fall.

The latest four-letter word in Washington? WORK.

Spurred on by radical think-tanks, *The Wall Street Journal* and friends, Congress is moving forward on efforts to reduce disability and unemployment benefits, and, “strengthen” work requirements in food stamps, Medicaid and other programs.

I suspect this effort is to force more Americans to take extremely low-paying part-time jobs.

As noted by the *New York Times* and others, GOP members have already begun election year pandering to the party’s special interests. For example, Missouri’s Ann Wagner is among the supporters of federal legislation to require every state to honor concealed carry privileges issued by any other state: a Missourian could then – legally – carry a gun in Times Square, despite New York laws against it.

There is talk of a total national ban on abortion except when the life of the mother is at imminent risk. While such a law would probably be stopped by the Supreme Court, it would give Republicans a fig leaf to toss to their pro-life supporters.

If elected, Roy Moore will be admitted to the U. S. Senate.

State Items:

Better than 580 proposed laws have already been filed for the 2018 session of the Missouri legislature. As could be predicted, more than a dozen involve abortion and another 15 create new tax credits.

Another ten measures deal with firearms, including House Bill 1382 from Rep. Rocky Miller (R – Lake Ozark) which would allow carrying concealed weapons in a church without informing the church: churches would not be able to prohibit guns on their premises.

Both the House and Senate have pre-filed bills aimed at ending or severely restricting prevailing wage rules. It has been ‘suggested’ that the majority party may use passage of a prevailing wage law to force unions to run another referendum campaign next year.

Even before the proposed federal tax cuts, Missouri’s revenue was expected to drop significantly. Previously passed tax cuts and tax credits; wages failing to increase at the rate of inflation; on-line sales stealing business from “brick and mortar” retailers; and, other economic weaknesses promised to force deep cuts in the Fiscal Year 2019 budget. A \$500 million reduction in General Revenue (an \$9 billion pie) is possible. Tax cuts could require an additional \$500 million to \$1 billion in cuts.

In other words, General Revenue could potentially be reduced by 16% in a year. Remember that the two biggest uses of General Revenue are education and the state share of Medicaid costs.

Once again in 2018, Missouri will have the lowest paid state workers in the nation.

This has consequences. To cite one problem, the Department of Social Services has concentrated their staff in call centers to handle client interactions at less cost: last month the director of the department publicly admitted that call center staff were quitting faster than replacements could be hired and trained. The average wait time before a call is answered in October was over 18 minutes, and, with transfers, calls lasting more than an hour were common.

Missouri has 795,000 citizens receiving food stamps, just under a million on Medicaid and tens of thousands more in smaller programs which must be accessed via the call centers.

Glenn Koenen