

The **Association** report

from the **Capitol**

April 14, 2014

Increased funding for MODOT, an issue that has been brewing now for several years, took a necessary first step last week when the Missouri House passed HJR68. This is legislation which would place a 1-percent general sales tax before voters on the November 2014 ballot.

Opponents of funding transportation needs through a sales tax attempted to substitute the revenue source by increasing current motor fuel taxes. Rep. Jon Carpenter of Kansas City offered an amendment that would have removed the sales tax language while increasing the gas tax 3 cents a gallon and diesel fuel by 9 cents a gallon. Proponents of the amendment argued that this would be a fairer way to fund transportation needs with the tax being placed directly on those who use the highways. Carpenter's amendment, however, was defeated by a vote of 114 "noes" and only 28 "ayes."

The proposal moved to the senate where a committee hearing has already been scheduled for Wednesday (April 16) in the Senate Transportation Committee.

The Senate Appropriations Committee continues its work on the FY 2015 state budget with a number of items left undecided. This includes a resumption of a state contribution to the deferred compensation plan. The house version of the budget includes a \$25 a month state match to the deferred comp plan. Several of the senate committee members have indicated they would like to see the state move to a \$35 or \$40 a month contribution. It appears the house and senate have agreed on a 1% pay raise for state employees.

**From Harry Hill, Lobbyist
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