GUEST COMMENTARY: HB 253 veto should stand

By Rep. Chris Kelly

August 24, 2013 | 6:00 a.m. CDT

During the 2013 session, the legislature passed House Bill 253, a sloppily drafted bill that will cost the state more than $800 million per year when fully implemented. The Governor, believing that HB 253 will decimate essential state services, endanger our AAA credit rating, and unnecessarily raise taxes on the elderly, rightly vetoed the bill, but legislative leaders plan to attempt to override his veto in September.

Beyond its devastating ramifications for critical state services upon which all Missourians rely, HB 253 is rife with problems ranging from increased taxes on seniors to a retroactive tax cut that would create a tremendous blow to the state budget. These problems result either from sloppiness or bad policy ideas; either way, given the bill’s negative impacts, I urge my colleagues to let the veto stand.

In what is said to have been the result of a drafting error, HB 253 would impose the state sales tax on prescription medicine and textbooks. While the thousands of mid-Missourians whose income is primarily comprised of pensions from the state, the university, teacher retirement or Social Security will not see any benefit from tax cuts; they will pay more for prescription medicine. To see what this might mean for my constituents, I asked my pharmacist to calculate how much more I would pay for the medicine I now take as a result of a recent minor heart attack. She tells me my annual bill would be about $140 higher. While the size of this tax increase will vary among people, the bottom line is that HB 253 is a significant — and unnecessary — tax increase for many older Missourians.
Besides its inadvertent tax increases, HB 253 puts vital state services at risk through its tax cuts. In addition to cuts to individual and corporate income tax rates, the bill also exempts half of all business income from taxation. Though proponents maintain that cuts would only occur if state revenue targets are met, this so-called “trigger” does not apply to its business income provisions, which are the most costly provisions of the bill. As a result, the “trigger” is essentially meaningless at preventing enormous cuts to critical state services.

Another troubling aspect of the bill is the extent to which future income tax rate cuts apply retroactively. Though tax bills normally are clear regarding when various tax rates apply, HB 253 is ambiguous with respect to the impact of tax rate reductions resulting from federal action on the Marketplace Fairness Act (Internet Sales Tax). A fundamental principle of Missouri’s law on retroactive taxes is that any ambiguity with regard to taxes is to be construed against the government and in favor of the taxpayer (See Hess v. Chase Manhattan Bank, USA, N.A., 220 S.W.3d 758, 769 and Savannah R-III School Dist. v. Public School Retirement System of Mo., 950 S.W.2d 854, 858). Given precedent, I think it is clear that when the federal Marketplace Fairness Act goes into law, the state will experience a $1.2 billion blow to its budget. But even for those who disagree, the ambiguity principle certainly still applies; and it is undeniable that a $1.2 billion unresolved question makes for bad tax policy.

The reasons for the veto to stand are many. The sloppiness of HB 253 alone warrants opposition. Careless policymaking created a $1.2 billion discrepancy that was never addressed or even considered. The new sales taxes on prescription drugs and textbooks were “mistakes” that will result in a $300 million tax increase that was never debated.

Politicians are fond of saying that government should behave more like business. The sponsors should thank their lucky stars that it does not; we all know what would happen to employees in the private sector who made a multi-million dollar error in tax planning — they would be fired on the spot.

No rational legislator should consider voting to override a veto on a bill that is this badly written. The legislature should be ashamed of itself for considering it.

Finally, HB 253 is a textbook example of the abuse of money in the political process. Although the bill will financially harm state employees, the elderly, college students, our public schools and universities, the mentally ill and Missouri public safety;
it will help a few very high-end taxpayers a great deal. Rex Sinquefield, one extremely wealthy Missouri taxpayer, has poured more than two million dollars into the political coffers of the bill’s supporters. We will never see a better example of the corrosive effect of big money on our political system.

Because of its negative effect upon state services, because of its negative effect on senior citizens, because it is so sloppy and because it is a classic example of financial corruption in politics, the legislature should sustain Governor Nixon’s veto.

*Chris Kelly represents District 24, which includes Columbia, in the Missouri House of Representatives.*
Friday roundup of Missouri politic

By Elizabeth Crisp

Quick Hits

• University of Missouri System President Tim Wolfe offered up his take this week on the tax cut bill. MissouriNet reports that Wolfe, a former computer software executive with more than 30 years in the private business sector, said he doesn’t buy arguments that the tax cut is necessary to lure businesses to the Show-Me State.

• Republican Lt. Gov. Peter Kinder says he’s being encouraged to run for the 8th District Congressional seat recently won in a special election by Republican Jason Smith, according to the Kansas City Star.

• State Rep. Eric Burlison, R-Springfield, is encouraging high schoolers to establish High School Republicans Clubs.

• There will be no refunds for an upcoming conference featuring Glenn Beck that moved from the Ozarks to Kansas City because of weather concerns. According to the Springfield News-Leader, Covenant America says “sales are considered a donation. Therefore, there are no ticket refunds.”

• The Missouri Times reports on a letter that Rep. Chuck Gatschenberger, R-St. Charles, sent to colleagues about legislative staffers doubling up and working on political campaigns.

• Don’t forget to nominate your picks for the Hall of Famous Missourians!
The FAA Has Shut Down 2 Journalism School Drone Programs

The Federal Aviation Administration has shut down two Midwestern journalism school programs using drones for aerial reporting, according to the Columbia Daily Tribune.

In July, the University of Missouri Drone Journalism Program received a letter from the FAA requesting that it cease all outdoor flight, director Scott Pham wrote on the program's website.

The Drone Journalism Lab at the University of Nebraska-Lincoln received a similar letter. Both programs use unmanned aerial vehicles (UAVs) with attached cameras to record video and photography from the air.

Now, they need to obtain a Certificate of Authorization (COA) from the FAA before they can resume outdoor drone flights. (They are still allowed to use the UAVs indoors.)

The Missouri program was created eight months ago, and says it operated under the FAA's regulations for remote control aircraft. But because the university is considered the university a "public agency," it must file for the COA, which is more restrictive.

In his post, Pham wrote, "We intend to apply for a COA and we have no reason to think we will be denied." Professor Matt Waite, who started the University of Nebraska program, wrote he will pursue the certificate as well:

"There are so many unanswered questions about using drones for journalism that it hardly makes sense to stop now. So we’re applying for a COA. The people at the FAA with whom we’ve talked have been very helpful and matter-of-fact about getting one. It’ll take time and a fair amount of documentation, they’ve told us, but provided we follow the rules it should happen."
But both seem wary of how the required permit will change their use of drones for aerial reporting.

Pham explains that because the COA will restrict where the university can fly drones, "it will significantly change the way we act as a program... Within a defined airspace, its [sic] hard to imagine the kinds of stories we can produce."

Waite echoed his concerns: "The COA process, as it stands now, is antithetical to journalism. Permits take months. You have to apply to fly in a specific location — months in advance, mind you — and your chances of getting a permit drop if you ask for a place in restricted airspace... So the kinds of stories we can do are going to be very limited."

Pham and Waite support the use of the unmanned, camera-equipped vehicles as a new way to gather information in the digital age. According to Pham, the Missouri program has produced stories on fracking and prairie fires using its UAVs.
Mizzou Advantage adds new leaders

Friday, August 23, 2013 at 2:00 pm

The University of Missouri has named two new facilitators for the campus interdisciplinary effort known as Mizzou Advantage.

Michael Gold, research professor of agroforestry and associate director in the Center for AgroForestry, has been appointed the education facilitator for Mizzou Advantage. Gold will work with MU faculty to develop new interdisciplinary instructional programs for each area of the program. Mizzou Advantage — which focuses on four key areas related to the future of health, media, energy and food — now has seven interdisciplinary courses available to students.

Mike McKeen, associate professor of journalism and director of the Reynolds Journalism Institute Futures Lab, was appointed the facilitator for the Media of the Future area. McKeen will be responsible for developing interdisciplinary projects involving journalism that will bring together faculty from other disciplines and off campus.
Editorial: Student housing should not be a game of chance

Call it housing roulette.

Each year, finding a place to live in Columbia seems like more and more of a gamble. Roll the dice: You might end up in a flooded or run-down apartment on East Campus, or, in the case of about 600 Aspen Heights tenants this summer, you might end up without an actual place to live. The city is rife with predatory housing corporations and callous landlords attempting some sleight of hand. Distinguishing them from the honest and helpful ones is a difficult task.

Like many — we might venture to say most — MU students, we are sick of playing the game.

Student housing problems and frustrations here are nothing new. The past few decades has seen the University of Missouri transform into a "commuter campus," nested in a constantly expanding Columbia. Recently, the trend of “luxury student housing” has brought a new set of issues: out-of-state corporations with weak communications and strong legal teams, as well as massive marketing budgets; students signing leases for units yet to actually be built; granite countertops and tanning rooms compensating for shoddy building practices.

Underlying everything, year after year, is a university that continues to admit record or near-record numbers of students with each freshman class, while its own residence halls, dining halls, classrooms and resources fail to expand at the same rate. Every year the pressure builds. Every year a new problem emerges.

In 2013, by far the most obvious and pertinent problem has been with the Aspen Heights “luxury student housing” development. For a multitude of reasons (or, if you’d rather, “excuses”), the complex, which had spent the previous school year hyping itself up as “revolutionizing student living,” was not ready July 31 to open the units for about 600 of its 972 tenants.

Many tenants reported they were not informed of the delays until mere days before they were supposed to move in. They were then presented with a choice: sign an addendum to their lease absolving Aspen Heights of the obligation to have their units ready on time, and temporarily move into alternative housing (such as a hotel or another apartment complex), or deal with what might be a lengthy, expensive legal process to break the lease. Those who chose the former were given gift cards (which, could not be converted into cash to help pay for the associated costs) and have to continue paying their rent, often to live in a cheaper place. The entire process seemed to merit little response from the Aspen Heights corporation, which is busy building more complexes in other college towns around the country.
The events of this summer represent a fundamental breakdown in how student tenants at this particular complex are treated and brought the saga of student housing in Columbia as a whole to an embarrassing new low. We are concerned, however, that as virtually-unchecked growth in MU’s enrollment and virtually-unchecked growth in Columbia housing development continue, the Aspen Heights meltdown will prove to be more of an exemplar than an extreme.

Now, more than ever, is the time to prevent the further complicating and worsening of Columbia’s student housing situation. MU needs to admit that campus is overcrowded, particularly in residence halls, and plan accordingly to fit all freshmen and more upperclassmen who would prefer living on campus into a comfortable living space. City leaders need to clamp down on predatory development corporations and consider options to expand affordable, adequate student housing near campus. Student and other university leaders need to increase efforts to inform students of their housing options, in addition to their rights as tenants, to ensure that everyone can have a positive and minimally-stressful housing experience. And, of course, developers and corporations who build student housing in Columbia need to be honest and trustworthy — building what they say they will build, when they say they’ll build it.

We fully expect to use this editorial space to discuss student housing again. If all these improvements do happen in the near future, we’ll be quite surprised — it’s not the way things seem to happen. But we feel it’s necessary that Columbia’s student housing improves, both in physical quality and in treatment of residents. Renting a house or apartment, particularly in a college town like Columbia, shouldn't have to be such a gamble.
Doc shortage has a remedy

Medicare cuts affect funding for residency training posts.

By NATHANIAL S. NOLAN

Imagine you, like most traditional medical students, went to college for four years to earn an undergraduate degree. Like many, you might also have obtained a graduate degree or worked for a period of time. You then spend time and money fulfilling extracurricular activities, taking the Medical College Admission Test, applying to schools and traveling for interviews. If you are part of the lucky minority — roughly 40 percent — you will gain entrance to a medical school to spend four more years and tens of thousands of dollars to graduate as a physician.

Imagine you do all this, only to find you have no job.

Jobless doctors? At one point, that would have been preposterous, but just last year more than 500 M.D. graduates in the United States did not obtain residency positions. This total does not include the thousands of osteopathy students and international medical students who were not matched. According to the National Resident Matching Program, the organization that matches allopathic medical students with their graduate medical training sites, more than 13,000 applicants were unmatched in the initial process and participated in a supplemental program instead. In all 34,355 U.S. and international medical students were competing for 26,392 positions.

This seems like an interesting predicament for a country that fears an imminent physician shortage. By some estimates, the United States will be short more than 60,000 physicians in the next two years. This is also devastating to students. Without a residency position, you cannot practice medicine and therefore cannot earn a living. That is scary news to the average medical student who graduates with more than $160,000 in debt.

At this point you might be wondering what the problem is. Where is the hang-up in the system we trust to train an adequate physician workforce? There are actually several problems, all of which come down to the funding of Graduate Medical Education, or GME. GME funding is directly tied to Medicare and indirectly tied to Medicaid. Anything that affects Medicare and Medicaid will invariably affect residency training positions. The most prominent example is the Balanced Budget Act of 1997. In essence, this bill mandated that reimbursements to hospitals for training doctors would be frozen at 1996 levels. An increase in the number of doctors a hospital
trained would bring in no extra government reimbursements. Basically, we can't train any more doctors than we did in 1996 — even with an aging population and looming shortage.

Unfortunately — or fortunately, depending on how you see the picture — medical schools have increased class sizes and the number of graduating doctors in an effort to stall and/or prevent a national shortage. By 2017, 30 percent more students will be enrolled in medical school than in 2002. As you can probably see, this creates a bottleneck, one that became evident this year. It will only get worse as students who did not match this year apply again next year only to find themselves competing with an increasing number of graduating applicants.

If things continue, further cuts in residency positions will occur. The 2014 fiscal budget proposes $11 billion in Medicare cuts over the next 10 years. This equates to a decrease in Graduate Medical Education funding from Medicare by roughly 10 percent a year. We cannot afford to lose 10 percent of our residency positions.

Residency positions are important to the health of our nation and the health care system. They represent a large portion of care for the elderly, disabled and indigent. Residents also reflect the future of medicine. As our nation ages and faces a dramatic increase in the insured population, we cannot afford to face a shortage. As a student of public health, I fear the repercussions for the U.S. health care system. As a medical student, I fear the repercussions for myself. I want to treat patients. I want to work in a community. I want to provide charity care.

Lately, though, I just want a job.

Nathanial S. Nolan is a student in the University of Missouri School of Medicine.