

Proposition A Fact Sheet

Prepared by the Missouri Association of School Administrators

Who is behind Proposition A?

The gaming industry wrote the proposal, paid for the signatures to be collected to put this on the ballot, and has spent over \$11 million to campaign in support of the issue. Not one Missouri educational organization or association has endorsed the proposal including MSTA, MNEA, AFT, MASA, MAESP, MASSP, MSBA or PTA.

If Proposition A is approved, Missouri law would be amended to:

- repeal the current individual maximum loss limit for gambling;
- prohibit any future loss limits;
- restrict the number of casinos to those already built or being built;
- increase the casino gambling tax from 20% to 21%; and
- create a new specific education fund from gambling tax proceeds generated as a result of this measure called the “Schools First Elementary and Secondary Education Improvement Fund”.

How much revenue would be generated for my school district?

There are no guarantees. The money would be added to the state adequacy target. This is a point of concern as the state adequacy target is currently being phased in and will not distribute all of the money in the “Schools First Elementary and Secondary Education Improvement Fund”. Second, when the formula is fully implemented, there may not be enough money in the “Schools First Elementary and Secondary Education Improvement Fund” to finance the calculation because of the additional funds that are distributed through the formula for special education, free and reduced students and LEP. Third, many hold harmless districts will not receive any funds from this source. The Department of Elementary and Secondary Education has a simulation of how funds would be distributed. A copy of this simulation is available on the MASA website at www.masaonline.org by clicking on a link at the bottom of the Schools First Initiative article. Again, there are no guarantees that this amount of money will be available for distribution.

What do I tell someone who asks about the proposal?

Proposition A is a gaming issue, not a school issue. If an individual supports removing the \$500 loss limits and supports the casinos in their efforts to limit competition, they should vote for Proposition A. Individuals should not vote for the proposal because of the claims that it will provide additional money for education. That may or may not happen, depending on the school district and the amount of money people lose as a result of removing the loss limits.

Why would someone who supports additional funding for public education be opposed to this issue?

Again, this is not an education issue, it is a gaming issue. Changing the rules for Missouri casinos as listed above is the issue before voters, not the funding needs of Missouri public schools.

Who will hold the casinos accountable for the claims they are making?

The casinos have no obligation to meet the education funding levels they are predicting if this issue is successful. The funding levels are only speculation.

How much will the casinos make if this issue is approved?

If the 21% gaming tax generates \$118 million for schools, it could be assumed that the proposal would generate over \$442 million annually for casino owners.