



Legislative Update

by Otto Fajen
MNEA Legislative Director
otto.fajen@mnea.org

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REGULAR SESSION ENDS; GOVERNOR MAY CALL EXTRA SESSION

The first Regular Session of this General Assembly ended on May 12 after a contentious afternoon where the Senate used the "previous question" or PQ motion to force a vote on a bill. The Senate adjourned nearly an hour ahead of the 6 p.m. deadline, and several bills poised for passage were simply not taken up and died on the calendar. A more complete summary of legislative action this session will be published next week.

Governor Greitens threatened to call the legislature into an Extraordinary Session if the legislature did not approve legislation on a number of issues. The list of issues has fluctuated over time, but may include both the tax credit voucher bill or the paycheck/anti-bargaining bill, neither of which was enacted. Governor Greitens did not specifically call for an Extraordinary Session during his press conference following the conclusion of the session, but left the possibility open.

WHAT YOU CAN DO

Missouri NEA fought throughout the 2017 legislative session for its priorities for children and public education. MNEA staff and member leaders worked to protect and expand rights for all education employees, maintain funding for public education and fight back numerous attacks on public schools.

MNEA's Education Advocate program seeks members who will be a contact person to their respective State House or Senate member on public education issues. MNEA's Government Relations department will pair members with their legislators and provide information, talking points and resources to conduct important legislative outreach throughout the year.

Please support the continuing advocacy of the Association this summer and fall on any key issues in a possible Extraordinary Session.

For more information, go to
<https://www.mnea.org/Missouri/PoliticalActionProgram.aspx>

SUMMARY OF WHAT PASSED AND WHAT DIDN'T

A following summary shows action on key bills followed by the Association this session, showing provisions that passed and those that did not pass.

Please note: some of the provisions approved by the legislature may be vetoed and may not become law.

The legislature debated many issues this session and some provisions were enacted into law. For more detailed information on other legislation, visit <http://www.mnea.org/Missouri/AtTheCapitol.aspx> to view legislative updates and other related information.

PASSED

EDUCATION BUDGET

The House and Senate conferees debated and approved conference committee reports for the FY18 budgets for K-12 and higher education on May 4, one day prior to the Constitutional deadline of May 5 for final action on the budget.

CCS/SCS/HCS/HB 2 (Fitzpatrick) is the K-12 budget bill for the 2018 fiscal year. The House and Senate both approved full funding of the school formula and restored pupil transportation funding to the current year level, for a total of \$105 million.

Notable conference items in HB 2 include:

\$9.2M for pupil assessment and House language that the assessments may not be used to lower district accreditation or teacher evaluations;

\$6M for state match for the E-rate program for high-speed broadband service;

\$750K for the Urban Teaching Program;

\$5M for school districts for the costs of public placement of students.

Conferees eliminated funding for: MoVIP, the St. Louis Truancy Program, Community Partnerships; the Kansas City tutoring program and the Scholars and Fine Arts Academy.

CCS/SCS/HCS/HB 3 (Fitzpatrick), is the higher education budget bill for the 2018 fiscal year.

Conferees chose to cut core funding to two-year and four-year institutions by 6.58%, which was the highest funding amount available in conference for each institution. Conferees eliminated the proposed \$1M in new funding for graduate programs at Harris-Stowe State University.

Conferees also kept House language to deny all scholarship funding and deny access to in-state tuition at public institutions for all DACA students and other resident students who graduate from Missouri public schools and are not in lawful immigration status.

FUND SWEEP BILL

The House approved the Senate version of HCB 3 (Fitzpatrick) on May 12 just moments before the session ended at 6 p.m. The Senate version will fund some budget expenditures for seniors with one-time funding. The House version of HCB 3 (Fitzpatrick) would have repealed the Circuit Breaker for qualifying, low income, elderly renters.

WORKPLACE DISCRIMINATION AND WHISTLE-BLOWER LAW

SS#2/SCS/SB 43 (Romine) makes significant changes to the state's anti-discrimination law in employment, disability and housing. The bill also limits the state's "whistle-blower" protections. The Association believes these changes will make it harder to hold employers and their agents responsible for improper acts of discrimination. Missouri NEA believes that unfair, discriminatory treatment in the workplace should remain unlawful and opposes the bill.

SO-CALLED "RIGHT-TO-WORK"

SS#2/SB 19 (Brown) is the so-called "Right to Work" bill. The bill would remove the ability of labor unions to receive compensation for the costs of fulfilling their duties as exclusive representative. The Association opposes this effort to limit the constitutional collective bargaining rights of Missouri workers.

COLLEGE AND UNIVERSITY RETIREMENT

HCS/SS/SB 62 (Hegeman) stabilizes the contribution rate of the College and University Retirement Plan (CURP), a defined contribution plan for instructional staff at four-year public institutions other than the University of Missouri. The Association supports the bill, which would help the CURP benefit remain a viable pension benefit.

WORKING AFTER RETIREMENT HOURS AND CONTRACTORS (KELLY SERVICES)

SB 62 (Hegeman) includes the provisions of HCS/HB 305 (Pike) to revise the law relating to PSRS and the Kansas City school retirement systems. The bill clarifies that school retirees who are teaching part time in a district and employed by a private agency, such as Kelly Services, must also abide by the same restriction on hours worked as retirees employed directly by the district. The bill applies the existing 550-hour limitation on PSRS retirees working for a school district to teaching work in a district while employed by a third-party. The Association believes that the limitation on working after retirement should be consistently applied to all retirees to provide fair and equal treatment and protect the financial status of the system. The bill also applies to Kansas City PSRS retirees who work as teachers in the district while employed by a third party.

PENSION FORFEITURE

SB 62 (Hegeman) includes the language of HB 996 (Rhoads) to revise provisions relating to pension forfeiture. Current law provides that public employees, including school employees, forfeit their pension if they commit one of several work-related offenses, including theft of property valued at \$5,000 or more. The bill requires the employer, rather than the court, to notify the retirement plan if an employee has been found to have committed a work-related offense triggering the forfeiture provision.

ST. LOUIS SCHOOL RETIREMENT

SB 62 (Hegeman) includes the provisions of HB 619 (Dogan) to modify provisions relating to the St. Louis Public School Retirement System to create a second-tier retirement plan for the St. Louis Public School Retirement System. The bill reduces the benefit factor for new hires and for new creditable service for existing staff, increases the employee contribution rate from 5% to 9% and changes from a Rule of 85 to a Rule of 80 for retirement.

RETIREMENT BENEFITS & DIVORCE

SB 62 (Hegeman) includes the language of HB 304 (Pike) to create a divorce popup for PSRS and PEERS retirees, provided the divorce decree grants sole retention by the retired person of all rights in the retirement allowance.

KANSAS CITY SCHOOL BOARD TERMS BILL PASSES

The House and Senate approved SB 283 (Hegeman). The final version of the bill includes the provisions of SB 93 (Curls) to stagger the terms of the Kansas City school board.

ADULT HIGH SCHOOLS

The legislature passed the provisions of HB 680 (Travis Fitzwater) in SS/HB 93 (Lauer). HB 680 would establish adult high schools to be operated by a Missouri nonprofit organization.

SUICIDE PREVENTION

SB 52 (Nasheed) establishes several provisions relating to suicide awareness and prevention. The bills call on colleges and universities to have suicide prevention policies and programs. The bill also includes language addressing depression in medical schools. The Association supports the bill.

FEDERAL-COMPLIANT "REAL ID"

SS#2/HCS/HB 151 (Corlew) will allow Missouri drivers to choose to obtain either 1) a driver's license that complies with federal "Real ID" requirements or 2) an alternative driver's license that is not "Real ID" compliant. A federally-compliant ID will be required to enter a military base or fly on a federally-regulated airplane. The SS also specifies that a non-driver, photo ID provided for voting purposes shall be a non-compliant ID.

MINIMUM WAGE PREEMPTION

The Senate moved the previous question to end debate reach a final vote on SS/HCS/HB 1194 (Chipman) just before the end of the last day of session. The bill prevents cities from enacting a higher minimum wage than the state minimum wage and nullifies any existing ordinance adopted by a city

and currently in effect. However, the House defeated the emergency clause, so the bill cannot go into effect before August 28.

DID NOT PASS

PAYCHECK DECEPTION AND ANTI-BARGAINING BILL

Senator Onder distributed a new SS/SCS/HB 251 (Taylor) on May 12, but the Senate did not take up the bill, and the bill is now dead for the 2017 Regular Session. However, Gov. Greitens has been pressuring the Senate to approve the bill. The Governor has indicated that he may call an Extraordinary Session and may include the paycheck and anti-bargaining issues in the call of the session.

The Association strongly opposes SS/SCS/HB 251. The paycheck portion of the bill applies to public labor organizations and requires annual, written authorization for payroll deduction of union dues and member contributions for political action.

The SCS adds in the provisions of SCS/SB 210 (Onder) including many harmful provisions that will interfere with public sector bargaining, such as mandatory, biennial recertification elections, prescriptive financial reporting mandates and problematic restrictions on bargained agreements.

CHARTER SCHOOLS

The House passed HCS/HB 634 (Roerber), but the Senate did not debate or approve the bill. The bill would expand charter schools to all districts with at least one school that happened to have a building APR score below 60% for two years in any three-year period. This expansion will already apply to a large number of districts across the state. The bill opens the entire district to any number of charter schools at any grade level, not limited to the location or grade level of the affected school. Moreover, the new version also allows students from any other Missouri school district to enroll in these new charter schools, if space is available. The Association opposes the bill.

TAX CREDIT VOUCHERS AND EDUCATION SAVINGS ACCOUNTS

The Senate passed SS#2/SCS/SB 313 (Koenig), but the House did not debate or approve the bill. However, this issue could also be included if the Governor calls for an Extraordinary Session.

The bill would have created a new 100% state tax credit capped at \$25 million per year for taxpayer contributions to third-party organizations that will use some of the proceeds to fund accounts that parents can use to pay private school tuition and other expenses for their students. The bill also adds numerous provisions pertaining to student transfers from unaccredited districts, charter schools and other topics.

The Association opposed SB 313 and similar proposals to divert public funds to private schools not subject to the same standards of accountability, transparency and respect for the rights of students, staff and parents as apply to public schools.

STUDENT TRANSFERS

The House passed HCS/HB 118 (Wood), but the Senate did not debate or approve the bill. The bill relates to student transfers from unaccredited districts. The bill caps sending district tuition, allows receiving districts to respect class size standards and creates a process for intra-district transfers within the unaccredited district.

The Senate included student transfer provisions in SB 313 (Koenig), which passed the Senate, but not the House. Many of the provisions were similar to SB 23 (Chappell-Nadal) and SB 58 (Sifton). The Association supports addressing the transfer issue with reasonable caps on tuition payments by sending districts and allowing reasonable control of class size for receiving districts. However, MNEA has concerns about the other provisions in the bills, especially state mandates regarding accreditation by school building and other provisions that run counter to the flexibility afforded by the federal ESSA to move away from a "test, blame and punish" mindset focused on state-mandated standardized tests.

VIRTUAL COURSE ACCESS

The House passed HCS/HB 138 (Spencer), but the Senate did not debate or approve the bill. The bill would establish a new course access program by revising the current MoVIP. The program is available for students enrolled full-time in public school. The Association believes that virtual courses can play an important role for schools and students, and supported the bill.

PREVAILING WAGE

The House passed HB 104 (Love) but the Senate did not bring the bill to a vote. The bill would have repealed the state's prevailing wage law. The Association supports the original purpose of the prevailing wage law to ensure that public infrastructure investment supports local employment and local wage rates.

ANTI-UNION ATTACKS

The House Economic Development approved HB 637 (Helms), but the House did not debate or approve the bill. The bill would allow public employees to bargain with a public employer independently of a labor organization elected as the exclusive bargaining representative for the unit.

While the language of the bill appears to have conflicting language, the likely effect is to interfere with efficient bargaining between unions and employers and raise administrative overhead, which will reduce the resources schools have to provide students the tools and time to learn. The Association opposes the bill.

DUE PROCESS

The House General Laws Committee approved HCS/HB 555 (Ross), but the House did not debate or approve the bill. The bill requires school districts to contact former school district employers before offering employment to new employees. The bill also requires school districts to provide information

about former employees to prospective employers concerning any violation of board regulation "related to abusive behavior toward a student". While well-intended, the language lacks clarity and may fail to provide meaningful due process to accused employees.

PROTECTION AGAINST DISCRIMINATION

HB 485 (Dunn) and HB 846 (Razer) would revise the Missouri Human Rights Act regarding employment, disability and housing to make discrimination based upon a person's sexual orientation or gender identity an unlawful discriminatory practice. The Association supports both bills. However, the bill did not pass.

WORKPLACE ARBITRATION AGREEMENTS

The Senate passed SCS/SB 45 (Romine), but the House did not debate or approve the bill. The bill revises arbitration agreements between employers and at-will employees. However, the bill did not pass. Missouri NEA believes the bill may allow employers to pressure employees to accept unfavorable arbitration terms that reduce the ability to hold employers accountable for discriminatory acts. The Association opposes the bill.

CAMPUS CARRY

HB 630 (Taylor) would largely remove the ability of governing boards to ban the carrying of concealed firearms on public college and university campuses. However, the bill did not pass. The Association believes that colleges and universities should have local control over the policies that control the presence of concealed weapons on campus and opposes this provision.

SECOND TIER RETIREMENT PLAN FOR NEW STATE EMPLOYEES

The Senate debated SS/SB 228 (Koenig), but did not bring the bill to a vote. The bill places all new hire state employees in a new, reduced defined benefit (DB) plan along with a defined contribution (DC) component. The defined benefit multiplier will be reduced from the current 1.7% down to 1.0% times years of service times final average salary. The employer will contribute 3% of pay to the state's Deferred Compensation DC plan and the employee will be required to contribute 1% of pay to the DC plan. The Association opposes this reduction of guaranteed retirement benefit and transfer of retirement risk from employers onto Missouri's state employees.

SCHOOL FORMULA BILL

The House Budget Committee heard HB 1132 (Christofanelli), but the House did not debate or approve the bill. The bill makes a number of changes to the school funding formula:

- 1) reduces the weight of the wage-related Dollar Value Modifier (DVM) by one-third;
- 2) increases the pupil weight for Free and Reduced Price Lunch (FRPL) eligible pupils from 25% to 31% and increases the special education pupil weight from 75% to 175%;
- 3) repeals the special hold harmless provision for schools with fewer than 350 pupils; and
- 4) repeals the \$15 million grant program for small schools with fewer than 350 pupils.

While the bill makes some positive changes to pupil weights, the Association is concerned by the reductions in other provisions that would cause the bill to reduce overall school funding by an estimated \$23 million.

PROFESSIONAL DEVELOPMENT EXPENDITURES

The Senate passed SB 434 (Sater), but the House did not debate or approve the bill. The bill would allow school districts to allocate less than 1.0% but no less than 0.5% of moneys received under the school foundation formula to the professional development committee of the district when certain requirements are met. The Senate adopted Sen. Holsman's amendment to sunset the new language of the bill after six years. The Association is concerned that the bill weakens the state's commitment to professional development for teachers and opposes the bill.

EARLY CHILDHOOD EDUCATION

The House and Senate considered several provisions relating to early childhood education, but none were approved:

- 1) HB 254 (Swan) to exclude local early childhood education funds from the local tax revenue calculation used to provide funding to charter schools;
- 2) HB 457 (Swan) to include at-risk students who attend early childhood education programs that are under contracts with districts or charter schools to be included for school formula aid; and
- 3) language amended to SB 313 by Senator Wasson to phase in state formula aid of eligible at-risk early childhood students over a five-year period.

HIGHER EDUCATION PROGRAM APPROVAL

The House passed HB 758 (Cookson), but the Senate did not pass the bill. The bill would enact provisions relating to approval of various higher education degree programs. The bill is similar to SB 328 (Romine) and reflects an agreement on the process for approval of programs among the CBHE and two-year and four-year public institutions in the state. Due to budget constraints, the process will emphasize collaboration among existing institutions and programs rather than the creation of entirely new programs.

STUDENT COUNSELING FACILITIES

HB 920 (Frederick) would require student counseling facilities at Missouri public colleges and universities to meet standards with respect to student-to-staff ratios, average wait time for an initial visit, and other factors established by the Department of Mental Health. However, the bill did not pass.

CAREER AND TECHNICAL EDUCATION BILL

HCS/HB 253 (Swan) would have revised the law pertaining to the Career and Technical Education Advisory Council, but the bill did not pass. The bill requires the council to review, update and maintain a list of offerings, including industry certifications, professional licenses and competency assessments. The Association believes students should have flexible options and quality public school programs available that help them meet their challenges, have academic success and finish high school. Missouri NEA supports the bill.

STEM CAREER AWARENESS

The House passed HB 248 (Travis Fitzwater), but the Senate did not pass the bill. The bill would establish a statewide, online STEM career awareness program for middle school students.

BRILLE INSTRUCTION

SB 362 (Hummel) would provide that a student receive instruction in Braille reading and writing as part of his or her individualized education plan unless instruction in Braille is determined not appropriate for the child. However, the bill did not become law.

ACT WORKKEYS TEST

HB 94 (Lauer) would allow students to choose to take either the ACT or ACT WorkKeys test for their state-funded ACT test. However, the bill did not pass. The Association supports the bill.

HIGH SCHOOL EQUIVALENCY TEST

The House passed HB 469 (Gannon), but the bill did not pass the Senate. The bill pertains to high school equivalency examinations. The Association supports financial support to compensate students for rising costs of the tests. The bill provides financial support for first time test takers. Subject to appropriation, the bill would cover from 50% to 100% of the test cost.

CREDIT FOR COMPUTER SCIENCE COURSES

HB 948 (Bahr) and SB 491 (Silvey) would allow computer science to count as a science course for purposes of high school graduation requirements. However, neither bill passed.

STUDENT DATA PRIVACY

The Senate passed SB 478 (Silvey), but the House did not debate or approve the bill. The bill would require school districts to report breaches of data containing personal information of students to parents, DESE, and the State Auditor. The Association supports the bill.

GENDER IDENTITY AND USE OF SCHOOL FACILITIES

SB 98 (Emery) would require that all school restrooms, locker rooms, and shower rooms accessible for use by multiple students shall be designated for and use by male or female students only. However, the bill did not pass. The Association believes that these situations should be handled by schools and district policies based upon student needs and the specifics of the situation and opposes a state law mandate on the issue.

STUDENT NEWSPAPERS

The House passed HB 441 (Corlew), but the bill did not pass in the Senate. The bill would limit a school's ability to regulate student work in school newspapers. This year's version includes anti-retaliation provisions to protect student communications sponsors and other staff from possible retaliation by boards or administration for granting students greater editorial latitude as provided by the bill. The Association supports the bill.

EXTENDED LEARNING TIME

HB 1145 (Bangert) would require DESE to establish a grant program to extend instructional time in provisional and unaccredited school districts. The bill did not pass. The Association supports the bill.

ACCELERATED LEARNING

HB 257 (Pfautsch) would require each school district to establish a policy allowing acceleration for certain students. However, the bill did not pass. The Association believes this policy will help ensure that students receive instruction designed to fit their individual educational needs and supports the bill.

GIFTED EDUCATION

The House passed HCS/HB 670 (Sommer), but the Senate did not debate or approve the bill. The bill would require any district with a state-approved gifted education program to have a process that allows parents or guardians to appeal a determination that their child does not qualify for gifted services.

BANNING LOBBYIST GIFTS

The House passed HB 60 (Alferman), but the Senate did not approve the bill. The bill bans most gifts from lobbyists to legislators and other elected officials. Certain gift exceptions are added, including customary gifts, flowers and plants, returned items, speaking fees, and items customarily received.

STREAMLINED SALES TAX

SB 105 (Wallingford) would implement the Streamlined Sales and Use Tax Agreement. However, the bill did not pass. The Association supports this effort to level the playing field for Missouri businesses by creating the possibility for more consistent taxation of Internet and other remote sales. The provision will also help to sustain state revenues that support public education and other vital public services by maintaining stable state income tax revenues as sales continue to shift to Internet and remote transactions.

CORPORATE INCOME TAX REPEAL

SB 17 (Kraus) would permanently repeal Missouri's corporate income tax within a three year period. However, the bill did not pass. When fully implemented, this change would permanently reduce state general revenues by an estimated \$500 million per year. MNEA believes that this change would further reduce the state's capacity to invest in public education and other vital services and opposes the bill.

TAX CREDIT REFORM

SB 285 (Koenig) would make many changes to state tax policy. However, the bill did not pass. The bill reduces the corporate income tax rate from 6.25% to 4.0%. The bill also repeals or reduces the authorizations for several tax credit programs. The bill is forecast to have a positive overall effect on state revenues. While the tax credit accountability and reform measures in the bill would have a positive effect on state funding in the long term, the Association is concerned about the impact of the reduction in the corporate tax rate and the elimination of the senior citizen property tax credit for renters.

TABOR

SJR 12 (Eigel) is a constitutional spending limit similar to the Colorado provision known as "TABOR", or the so-called "Taxpayer Bill of Rights." The joint resolution did not pass. Missouri NEA strongly opposes this unneeded restriction. The SJR would impose a permanent, constitutional spending limit on state government and would limit annual growth in state appropriations to a cost of living adjustment factor plus a population growth factor. The SJR also mandates automatic, permanent income tax reductions based upon yearly revenue growth conditions.

PROPERTY ASSESSMENT INCREASES

HB 154 (Corlew) would limit residential property assessment increases for the elderly and disabled persons who own and live in their principal residence to be proportional to the increase of their Social Security benefit. However, the bill did not pass. The Association believes that constitutional requirements regarding equal treatment in the assessment of property should be respected.

TEACHER REPRESENTATIVE TO STATE BOARD OF EDUCATION

The House passed HB 67 (Ruth) to add an active teacher as a non-voting member of the State Board of Education. However, the bill did not pass the Senate. The Association supported the bill.

SCHOOL START DATE

HB 290 (Houghton) and HB 467 (Cookson) pertain to restrictions on school start date. However, neither bill passed. HB 290 prohibits local school districts from choosing an opening date for the school term that is earlier than September first. HB 467 prohibits local school districts from setting an opening date for the school term that is more than 10 calendar days prior to the first Monday in September for school year 2017-18 and for subsequent years. MNEA believes that school starting date, length of term and school calendar should be selected by the local school board in the manner determined to provide the most educational benefit for the students of the district. The Association opposes both bills.

SCHOOL LETTER GRADES

SB 33 (Emery) would require the State Board of Education to develop a simplified annual school report card. However, the bill did not pass. The Association opposes the bill. The bill would require reducing each public school to a single letter grade, primarily on the basis of state, standardized test scores.

VISITING SCHOLAR CERTIFICATE

The House passed HCS/HB 97 (Swan), but the Senate did not debate or approve the bill. The bill would create a visiting scholars certificate of license to teach limited to school/business partnership programs such as Partners in Prosperity.

ACCESS MISSOURI SCHOLARSHIPS

HB 411 (Lichtenegger) would have added virtual institutions, such as Western Governors' University, to the "Access Missouri Financial Assistance Program," but the bill did not pass.