

CHARTER SCHOOL EXPANSION

The House Elementary and Secondary Education Committee is expected to hear HB 581 (Roeber) next week. The bill would allow charter schools to be sponsored by outside entities (other than the local school board) and operate in districts around the state. Charter schools should be subject to the same standards of accountability, transparency and respect for the rights of students, parents and staff as are applicable to traditional public schools, and accountable to the local community through the elected school board. MNEA suggests that existing charter schools should move to district sponsorship when their charters come up for renewal and an impact study should be conducted by the district before considering sponsoring a charter school. HB 581 does not enact these reforms. LWVMO opposes this bill (refer to LWVMO positions, following study done several years ago).

EDUCATION FUNDING

The Senate Appropriations Committee and the House Subcommittee on Appropriations - Education continued hearings the last week of January, including testimony from four-year and two-year higher education institutions.

Meanwhile, current year revenues remain well below last year's estimate. State general revenue receipts are currently about 10% below last year's revenues, while the consensus revenue estimate for current year revenues, upon which the current year budget is based, is for a 1.7% increase in state general revenues.

Many schools are facing financial problems due to the state's failure to adequately compensate for transportation funding as required by law. Some estimate that an additional \$200 million would be necessary to meet the transportation needs of schools.

TAXING REMOTE SALES/INCOME TAX CUTS

This information is included because funding for education is probably the most critical issue that education faces this year. Remember that there is a dedicated sales tax that helps fund education.

The Senate Ways and Means Committee heard two similar bills, SB 46 (Koenig) and SB 50 (Eigel) on January 29. Both bills would establish a mechanism to collect state and local sales taxes for remote and online sales from out of state sellers. However, both bills also substantially reduce the state income tax. Fiscal notes estimate that both bills could increase local sales tax revenues and dedicated

state sales tax funds. However, the fiscal notes show that both bills would significantly reduce state general revenues, hampering the state's ability to invest in public education.

The House Ways and Means committee heard a similar bill, HB 548 (Eggleston), on January 30. The bill would establish a mechanism to collect state sales taxes for remote and online sales from out of state sellers, but would not collect any local sales taxes on remote sales. The bill also reduces the state income tax. The fiscal notes estimate the bill would increase dedicated state sales tax funds. The bill would reduce state general revenues by about \$100 million per year.

TAX CREDIT VOUCHERS

The Senate Ways and Means Committee heard SB 160 (Koenig) on January 29. The bill is a tax credit voucher proposal similar to SB 612 (Koenig) from last session. The bill creates a 100% tax credit, up to a total of \$50 million per year, for contributions to largely unaccountable third party "scholarship organizations" that would hand out scholarships that allow a student to attend a private or home school or pay tuition to a different school district or a charter school. To be eligible, a student must live in a county with a charter form of government (Jackson, Jefferson, St. Charles or St. Louis County) or in a city with a population over 30,000. Diversion of public funds to unaccountable third-party bureaucracies or to private and home schools that are not subject to public school standards is a concern, and LWVMO opposes this bill.

HOUSE ELECTIONS AND ELECTED OFFICIALS COMMITTEE

The committee heard two bills on January 30:

1) HB 363 (Roeber) to place additional limitations on use of public funds and resources by local officials in support of candidates or ballot measures. The bill would prohibit board members, administrators and employees of school districts and other local governments from using public funds or public property to support or opposes a ballot measure or candidate. The bill also prevents board members, administrators and staff from speaking publicly or issuing press releases concerning a ballot issue in their official capacity and on paid work time. The latter provision may effectively prevent school officials and employees from providing the essential information that district voters need to know to make informed decisions on ballot issues.

2) HB 361 (Roeber) to change school board terms to four years and change the school board election date to November general elections in even numbered years. While the change would likely increase the voter turnout on school board elections, the bill would likely diminish voters' ability to focus on school board elections in the midst of the partisan general election contests. The bill will increase the proportion of the board being replaced at each election and require a majority of each school board to be elected at the same time at every other election date.

SCHOOL START DATE

The House Agriculture Policy Committee heard two bills regarding school start date on January 30. HB 161 (Knight) and HB 401 (Basye) would each mandate that school districts start school no earlier than ten calendar days prior to the first Monday in September. Since schools are governed by locally elected boards who understand the local community, calendars should be determined locally with input from teachers, staff, and patrons.

COLLEGE COMPLETION SCHOLARSHIPS

The House Workforce Development Committee heard HB 225 (Swan) on January 28. The Senate Education Committee heard SB 16 (Romine), a similar bill, on January 29. The bills each create a new scholarship program to encourage adults to go back and complete college. The bills refer to the new scholarship as the Fast-Track Workforce Incentive Grant. Recipients must be at least 25 years of age with income under \$80,000 per year. Scholarships last up to four semesters or until they get a bachelor's degree.

ETHICS IN GOVERNMENT

The House Rules - Legislative Oversight Committee approved HB 445 (Dogan) on January 28. The bill will now be placed on the House calendar for debate by the full House. The original bill would ban local official lobbyist gifts to elected and appointed local officials, including lobbyist gifts to school board members and superintendents. This policy helps make local governments, including school districts, more open and accountable to the public interest.

Rep. Dogan proposed two amendments in committee that would have significantly expand the bill to incorporate similar lobbyist gift bans, revolving door policies, campaign contribution limits and open records law changes for local officials. However, the committee approved the bill without considering or adopting the amendments.

WORKING AFTER RETIREMENT

The House Pensions Committee heard HB 77 (Black) on January 29. HB 77 would undo the effect of a change passed last session, SB 892, as it relates to community college teachers. SB 892 applies when a PSRS retiree is doing work in a school (or other PSRS employer) in a position that does not require a DESE certificate. For that work, there is no limit on hours, but the retiree can earn no more than \$15,000 during the school year (60% of the \$25,000 state minimum teachers' salary).

An unintended effect of SB 892 was to also change the working after retirement (WAR) limit for community college teachers who are PSRS retirees. Community colleges are PSRS employers, but community college teachers are not required by law to have a DESE certificate, so the new law also applies to their teaching work. SB 17 would reverse this change, leaving PSRS retirees employed as community college teachers once again under the same 550 hour limit per school year that still applies when PSRS retirees teach in school districts. This bill should correct this unintended change.

TAX DEDUCTION FOR EDUCATORS

The House Elementary and Secondary Education Committee heard two similar bills, HB 299 (Neely) and HB 364 (Kelley), on January 29. Both bills give a full deduction for up to \$500 of unreimbursed expenses of a full-time teacher toward professional development or classroom supplies and equipment. The Association supports both bills.

HOUSE SPECIAL COMMITTEE ON STUDENT ACCOUNTABILITY

In addition to the standing committees, House Speaker Haahr has appointed a number of "Special Committees", including the Special Committee on Student Accountability. This committee will have regular meetings on Tuesdays and has the following members:

Bryan Spencer, chair; Herman Morse, vice-chair; Ingrid Burnett; Vic Allred; Ann Kelley; Mike Moon;

GOVERNOR'S BUDGET RECOMMENDATIONS FOR EDUCATION, FY 2019-20

The Governor's budget recommendations include several increases for K-12 public education including:

\$61 million for the basic equity funding formula, which will provide full funding for next year based on the most recent DESE estimate,

\$3 million for the Early Childhood Special Education program, and

\$10 million for transportation services.

The governor's budget recommendations for FY 2019-20 keep aid to colleges and universities approximately level with the current year and move funding and staff for workforce development programs from the Department of Economic Development to the Department of Higher Education. The Governor also recommends several increases for higher education, including:

\$22 million for the newly-proposed Fast Track program to provide grants to students over age 25 years with household incomes under \$80,000 working on degree programs that fill high-needs skills gaps.

\$16 million for the newly-proposed Missouri Excels program, a program for Missouri higher education institutions to develop and expand employer-driven education, training programs, and initiatives to increase career readiness, and

\$20 million for institution deferred maintenance at four-year colleges and universities.

Of course with current projections of state income running behind earlier expectations and with recent tax cuts from previous years still on the horizon, it doesn't look promising for many of these programs.