MoASBO Board-Legislative Committee Update

April 14, 2025

Federal Civil Rights Laws and Title VI Compliance

- DESE sent school districts notice that it would respond to the US Department of Education (USDOE) on behalf of Missouri school districts
- DESE will use core assurances districts previously agreed to in DESE's electronic planning and grants programs (ePeGS) to demonstrate compliance
- DESE will reach out to individual school districts if additional information is necessary
- Communicate thanks to DESE for taking this commonsense approach to responding to the USDOE
  - Other states are taking the same action as Missouri (Alabama, Delaware, Maryland, Vermont)
  - Some states are declaring they will not participate in the certification process
  - Other states are asking districts to sign certifications and send them to the USDOE
- Link to notes from last week's Update

Late Liquidation of Federal Grants

- Several districts were using the late liquidation process for their remaining ESSER funds
- The USDOE informed DESE on March 28 that the Federal Relief Funds extension process was ending, that previously approved funds were being stayed, that no new extension requests would be accepted moving forward, but that the USDOE would reconsider requests that had been previously approved
- DESE has informed affected school districts it will resubmit previously approved extension requests to the USDOE
- Those affected district should also reach out to their US Representatives and US Senators for assistance by requesting that those offices write letters of support to the USDOE
- Click **here** for a more detailed explanation of late liquidation

Legislation Update

Joint Resolutions

SJR62 (Cierpoit) - Modifies provisions relating to property taxes

- Senate is still working on this bill
- The bill allows the General Assembly to cap the growth on residential real property at whatever percentage they deem appropriate
- Contact Senators to oppose SJR62
  - The bill creates budget instability for districts
  - Why deal with this now when there is discussion of drafting a new foundation formula

HJR4 (Coleman) - Proposes a constitutional amendment relating to real property tax assessments

- Residential real property values cannot increase by more than 2% or CPI, whichever is less
- Fiscal notes helped
- This bill may be stalled

MoASBO Board-Legislative Committee Update

Senate Bills

SB63 (Brown) - Repeals and establishes provisions relating to participation of certain students in non-traditional educational settings

- Click **here** for a link to a full summary of the bill's provisions
- SB63 was not voted out last week but may be voted out this week
  - There is some opposition to this bill
- This bill will likely be modified, meaning it will then need to go back to the Senate
  - An amendment may seek to make the MSHSAA requirement of two courses per day mandatory, so districts can't require more hours
  - An amendment may seek to define "opportunity to participate" to mean the right to try out for an activity, not be automatically on the team

SB68 (Henderson) - Creates provisions relating to safe school environments

- SB68 was voted out of the House Elementary and Secondary Education Committee
- The bill will likely move through a Rules Committee this week and be ready for floor debate next week
- Click **here** for details on provisions contained in this bill

SB166 (Gregory) - Requires public schools to develop cardiac emergency response plans

- For the 2026-27 school year and all subsequent school years, this act requires every public school and charter school to develop and implement a cardiac emergency response plan that addresses the appropriate use of school personnel to respond to incidents involving an individual experiencing sudden cardiac arrest or a similar life-threatening emergency while on a school campus
- Members of each public school and charter school's administration shall coordinate with local emergency services providers to integrate the school's cardiac emergency response plan into the local emergency services providers' protocols
- A cardiac emergency response plan shall integrate evidence-based core elements, such as those recommended by the American Heart Association guidelines, Project ADAM (Automated Defibrillators in Adam's Memory), or another set of nationally recognized, evidence-based standards or core elements
- The act outlines certain guidelines that a cardiac emergency response plan shall integrate, including the establishment of a cardiac emergency response team and the placement of automated external defibrillators (AEDs) throughout the school campus
- Appropriate AED placement shall be dictated by the cardiac emergency response plan and in accordance with guidelines set by the American Heart Association or nationally recognized guidelines focused on emergency cardiovascular care
- For schools with an athletic department or organized school athletic program, an AED shall be clearly marked and easily accessible in an unlocked location at each athletic venue and event
- The AED shall be accessible during the school day and any school-sponsored athletic event or team practice. It is recommended, to the extent possible, that the governing body of a public school or charter school shall make the best effort possible to ensure that the AED placement described in the act is accessible within three minutes of cardiac arrest
- Appropriate school personnel shall be certified in first aid, CPR, and AED use, as provided in the act
- The school personnel required to be trained shall be determined by the cardiac emergency response plan and shall include, but shall not be limited to, athletic coaches, school nurses, and athletic trainers
- This act shall not be construed to create a cause of action against any school district, charter school, or any personnel of a school district or charter school.

- SB166 was perfected and third-read in the Senate
- Bill may become vehicle for other problematic amendments

MoASBO Board-Legislative Committee Update

SB266 (Fitzwater) - Establishes provisions relating to assessment of virtual school students

- Allows virtual instruction providers to administer the MAP test virtually
- The bill was perfected and third-read
- MASA does not have concerns with the underlying bill as drafted, but has concerns that this bill could become a vehicle for other legislation when it is debated in the House
- MASA will be watching this bill

SB360 (Carter) - Creates the Education Freedom Act and modifies provisions relating to the assessment of public elementary and secondary schools

- This bill deals with assessment and accreditation
- This is a Senate bill on the Senate Calendar
- The bill was laid over to the informal perfection calendar

SB485 (Schroer) - Moves school board elections to the November general election

- Moves BOE elections to November
- This is a Senate bill on the Senate Calendar
- The bill was laid over to the informal perfection calendar

House Bills

HB368 (Banderman) - Changes provisions governing additional state aid provided to school districts for increasing teacher salaries

- This bill clarifies that a school district will still qualify for the additional funding, provided that the district calendar includes 169 days even if they are in session fewer due to inclement weather or an authorized reduction as provided for in State law
- This is a House bill that is still on the House calendar
- This may be the last time we discuss these bills, as House bills still in the House at this point in the legislative process have little change of moving forward
- This provision is moving on other bills

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- This is a House bill that is still on the House calendar
- HB477 is currently stalled
- Thanks to SpEd directors for communicating with Senators regarding the negative impacts of this legislation

HB567 (Gallick) – Modifies provisions relating to employee compensation

- MASA received word that the requirement that school districts pay the minimum wages as specified in HB567 would be removed from the bill
- Even so, districts that would be negatively impacted by the minimum wage provisions in HB567 should contacts their Senators and share the financial impact
- If HB567 is modified in the Senate it will need to go back to the House and then to a Conference Committee
- 94 districts participated in a MASA survey on paying the new mandatory minimum wage
  - 50% opposed or strongly opposed
  - 37% neutral
  - 13% supported

MoASBO Board-Legislative Committee Update

HB594 - Perkins (R) - Authorizes an income tax deduction for capital gains

- This bill has passed the Senate and moved to the House
- The bill's sponsor indicates that he will bring up the bill and pass it when necessary
  - Passage is slated for later in the legislative session so that Governor does not have to sign the bill within 15 days of passage by the General Assembly

HB607 (Lewis) - Relating to elementary and secondary education

- This bill was heard in the Senate Education Committee on Thursday of last week
- Substantial changes were made to the bill before the Legislative Spring Break
- Provisions added to the bill include the following:

Mandatory grade level equivalence	Adult high school enrollment by individuals 18 years and older	Virtual schools can administer MAP test virtually
Allow virtual schools to participate in the Small Schools grant	Allow non-teacher employees and contractors to enroll their child in a district where they work, similar to what teachers can do now	Eliminate zero-tolerance disciplinary policies
Allow State Board of Education to issue teaching certificates to individuals certified by Teachers of Tomorrow	Elimination of sunset on teacher externship program	5-year extension of 550-hour/half-pay substitute teacher provision
Inclement weather "fix" for 169-day incentive	Prohibition of using three cueing system for teaching reading	Cooperative purchasing

- Many of the above-noted provisions are also included in SB68

HB629 (McGirl) - Modifies provisions relating to personal property assessments

- This bill was heard in the Senate Economic Development Committee last week
- Beginning January 1, 2027, any increase in the aggregate value of personal property cannot be counted as new construction
  - This would cause personal property increases to fall under the Hancock amendment and force a rollback of your tax levy when there is an increase in personal property valuations
- Beginning January 1, 2026, personal property would be assessed at 30%, not 33.3%
  - This equates to a 10% reduction in personal property revenue
- State tax commission must use a national publication, like the NADA
  - HB629 allows the assessor to use any value in the national publication over the last three years
  - HJB816 requires the assessor to use the most recent value in the national publication

HB711 (Pollitt) - Admission of non-resident pupils (Open Enrollment)

- HB711 was heard in the Senate Education Committee last Thursday
- Dr. Gaines and Dr. Buck testified on this bill
- HB711 will likely be voted out of the Senate Education Committee tomorrow
- Reach out to your Senators **today** to express your opposition to HB711
  - Get teachers engaged

MoASBO Board-Legislative Committee Update

HB783 (Keathley) - Clarifies the short-term authority of local taxing entities relating to certain property tax rate and property tax rate ceiling adjustments in a year following a voluntary tax rate reduction

- This bill clarifies current law by stating that reductions to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment
- This is a House bill that is still on the House calendar

HB816 (Reedy) - Modifies provisions relating to motor vehicle assessment valuations

- This bill was heard in the Senate Local Government Committee last Monday and the bill is likely to be voted out of this committee when it reconvenes today

Reminders

- No MASA Zoom call next Monday
- The call will be on Tuesday, April 22, at the same time(s)
- If you have questions about Late Liquidation, reach out to MASA

To Do List

- Contact Senators to **oppose** **HB567** if your district will be negatively impacted by the requirement to pay minimum wages as specified in the bill l
  - Share that you have problems with the language as drafted and show the financial harm to your district

- Contact Senators to **oppose** **HB711** (Open Enrollment)
  - Share your concern about additional school choice provisions that could be added to the bill, including some form of charter school expansion

- Contact Senators to **oppose** **SJR62** (Allows the General Assembly to cap residential real property growth)

- Contact Senators to **support** **HB816** and **oppose** **HB629** (Personal Property Tax bills)

Miscellaneous

- SB266 and SB66 could move to the House and could attract amendments and become possible omnibus bills
- SB68, HB607 and HB368 all contain the 169-day inclement weather “fix”

April 14, 2025

MoASBO Board-Legislative Committee Update

April 7, 2025

Federal Civil Rights Laws and Title VI Compliance

- US Department of Education (USDOE) issued a directive last Thursday
- USDOE expressed concerns about the use of illegal DEI programs that may favor or harm some groups and not others
- Directive requires that every state agency certify that they are complying with federal civil rights laws, Title VI, and the Supreme Court's 2023 ruling in Students for Fair Admissions v. Harvard
  - The directive appears to require state departments to collect certifications from all school districts in their states within 10 days
- Directive does not demand the end of DEI efforts, but only wants assurance that they are being done lawfully in accordance with Title VI and to cease illegal practices if they are occurring

Outline of DESE's plans to respond to the USDOE directive

- Districts already complete assurances in ePeGS when it accepts Title I funds
  - Assurances state that a district accepts funds under applicable federal and state statutes governing use of funds, which would include Title VI
  - Assurances also state that a district will comply with the State's non-discrimination policy, which also covers Title VI
- LEAs have already agreed to the core assurances through ePeGS
  - DESE believes that what was already agreed to will suffice for the purpose of responding to the USDOE directive
- This information will be used to reply back to the USDOE
  - This is dependent upon the Commissioner agreeing to this approach
- Plan may change over time, based on changes in federal requirements
- DESE will send districts a copy of its formal response once it is finalized (later today or tomorrow at the latest)
- The directive is not a formal agenda item on the State BOE agenda for tomorrow
- It does not appear that the USDOE notification/directive went directly to districts
- DESE's non-discrimination policy has been updated to state that Missouri will align with the Executive Orders
  - e.g., gender and gender identity were replaced with sex
  - States that districts will comply with Title VI requirements in terms of non-discrimination
- DESE's non-discrimination policy is accessible on the DESE web home page
  - https://dese.mo.gov/about-us/non-discrimination-statement

Budget Update

- The House perfected the budget bills last Tuesday
- The bills were third read and sent to the Senate
- The Senate Appropriations Committee now begins its work
- Budget highlights are unchanged from last week's **Update**
- The House did include in its budget bill $50 million in State revenue for the voucher program
- There is hope that the Senate will include more funding to support full funding of the formula
- State revenue dropped 2.2% in March
  - Revenue is down 1.44% for the fiscal year
  - $134 million less than this time a year ago
- April is a big month for state tax revenues, so there is hope the revenue situation will be better going forward

MoASBO Board-Legislative Committee Update

Legislation Updates

SJR62 (Cierpoit) - Modifies provisions relating to property taxes

- The bill was brought to the Senator floor last week and laid on the Senate informal calendar
- SJR62 allows the General Assembly to cap increase in residential real property
  - The General Assembly cannot currently make changes to assessment practices because of a Constitutional provision that requires uniformity in assessment
  - The concern is that whatever cap is put in place initially, it will be modified (e.g., reduced) in future legislative sessions
- Underlying these property tax issues are the negotiations to keep the Chiefs and Royals in Missouri
  - There is an effort to provide a property tax break for Jackson County so they could then approve a tax increase to pay for a new stadium(s)
  - Please note, however, that any tax reduction that would become a part of law would apply to the entire state and not just Jackson County
- Contact Senators about future harmful consequences of SJR62

HJR4 (Coleman) - Proposes a constitutional amendment relating to real property tax assessments

- Upon voter approval, beginning January 1, 2027, this proposed Constitutional amendment provides that the true value of all residential real property will be deemed to be the same value determined at the most recent previous assessment of the property
- In a new assessment or reassessment the assessed valuation of the property may be increased, provided that the increase does not exceed the change in the Consumer Price Index or 2%, whichever is less
- The limited increase may be exceeded to reflect the value added to the property as a result of new construction or improvements
- HJR4 was voted out of Senate Economic Development Committee last week
- New construction and improvements and commercial growth may mask impact initially, but there will be long term financial harm from HJR4
- Fiscal note calculator was developed for HJR4 by Patty Bedborough and Geoff Macy
  - 50 districts have completed the calculation
  - Negative financial impact raged from several thousand dollars to as high as $83 million
  - This information was shared with Senators

HJR4 Fiscal Note Calculator Google Doc
https://docs.google.com/spreadsheets/d/1rIS6dxxgLacHPgWpil178s2IlYFu6io4R4Ym8sL5A6g/edit?usp=sharing

- Please complete the fiscal note calculator
- Send just your calculation (not all the sheets) to your Senators

SB63 (Brown) - Repeals and establishes provisions relating to participation of certain students in non-traditional educational settings

- The bill essentially removes MSHSAA's ability to regulate home school participation
- MSHSAA sent notices to districts asking members to contact legislators
- Get activities directors involved in opposition to this bill

MoASBO Board-Legislative Committee Update

SB68 (Henderson) - Creates provisions relating to safe school environments

- This bill initially required school safety incidents be reported to DESE and placed restrictions on student cell phone use
- The bill was voted out of the House Elementary and Secondary Education Committee
- The bill has become a large omnibus bill
- Over 30 new provisions were added to the bill, including:

Comprehensive emergency response plan	Cardiac emergency response plan	Provide bleeding control kits in schools, plus mandatory training, if paid for by the State
Mandatory grade level equivalence	Primary and secondary safety coordinator	Anti-intruder door locks on interior doors and bullet-resistant film on exterior doors and windows, if paid for by the State
Adult high school enrollment by individuals 18 years and older	Virtual schools can administer MAP test virtually	Allow virtual schools to participate in the Small Schools grant
Inclement weather "fix" for 169-day incentive	Behavior risk assessments be included in records requested when enrolling a pupil	Allow non-teacher employees to enroll their child in a district where they work, similar to what teachers can do now
Eliminate zero-tolerance disciplinary policies	Required CPR training for district staff	Allow State Board of Education to issue teaching certificates to individuals certified by Teachers of Tomorrow
5-year extension of 550-hour/half-pay substitute teacher provision	Prohibition of using three cueing system for teaching reading	Requirement for active shooter training for teachers
Cooperative purchasing	Provision allowing districts to be paid for students who are suspended as if they were attending school	Remove requirement that a district provide a teacher to a student who is suspended, if alternative measures are provided
Clean up language for the Get the Lead Out of Schools Act	Lessening trainings for anti-bullying, student discipline, dyslexia, suicide awareness, Amy Hester Act	Parents Bill of Rights
Educator Bill of Rights	Multiple provisions/modifications regarding anti-bullying	

SB166 (Gregory) - Requires public schools to develop cardiac emergency response plans

- This bill (as currently drafted) requires districts to have AEDs dispersed throughout the campus so that an AED could be placed on a person experiencing cardiac arrest within three minutes
- This bill is in the 7th position on the Senate calendar

SB223 (Coleman) - Establishes provisions relating to student surveys

- SB223 requires prior notification to parents when surveys are conducted that ask about certain information as specified in the federal Protection of Pupil Rights Amendment (PPRA)
- This bill was brought up on floor and debated for 2 hours
- Not sure this bill will move forward this session

MoASBO Board-Legislative Committee Update

SB266 (Fitzwater) - Establishes provisions relating to assessment of virtual school students

- This bill is in 5th position on the Senate calendar
- This act provides that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually
- The act outlines requirements for such virtual assessments, including the monitoring of students via a camera and the maintaining of a student-to-proctor ratio that is targeted at 10-1 or lower
- This bill does not contain the provision related to the Small School Grant program as seen in HB607

SB360 (Carter) - Creates the Education Freedom Act and modifies provisions relating to the assessment of public elementary and secondary schools

- This bill deals with assessment and accreditation
- The bill is in the 6th position on the Senate calendar

SB485 (Schroer) - Moves school board elections to the November general election

- This bill is in 4th position on the Senate calendar
- Under current law, elections for school board members are held on either the general municipal election day or such day as is specified in the county charter, with terms of office ranging from three years to six years, depending on the district
- This act requires all such elections to be held at the November general election and makes all such terms four years
- This act has a delayed effective date of January 1, 2026
- MSBA is taking the lead in opposition to this bill

HB368 (Banderman) - Changes provisions governing additional state aid provided to school districts for increasing teacher salaries

- Currently, there is additional State funding for school districts that provide for 169 schools days
- This bill clarifies that a school district will still qualify for the additional funding, provided that the district calendar includes 169 days even if they are in session fewer due to inclement weather or an authorized reduction as provided for in State law
- This bill is still on the House calendar

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- HB477 is currently stalled
- Thanks to SpEd directors for communicating with Senators regarding the negative impacts of this legislation

HB567 (Gallick) – Modifies provisions relating to employee compensation

- This bill modifies the schedule of minimum wage increases or decreases by terminating such schedule as of December 31, 2024
  - Currently, the minimum wage is set to be increased or decreased on January 1, 2027, and on January 1 of successive years, based on increases or decreases of the Consumer Price Index for Urban Wage Earners and Clerical Workers; this bill repeals that scheduled adjustment
- Currently, these provisions do not apply to public employers, as that term is defined in the bill; **this bill changes that applicability for public employers beginning on the effective date of this bill**
- The bill repeals provisions as they relate to paid sick leave requirements, including, but not limited to, under what conditions paid sick leave must be provided by employers, prohibited actions for employers and violations thereof, recordkeeping requirements, complaint and investigative procedures, a right to a cause of action for retaliation, and confidentiality of information
- This bill has an **emergency clause** for the provisions that are being repealed relating to paid sick leave

MoASBO Board-Legislative Committee Update

- The bill as initially filed did not pertain to school districts, but that changed when the bill was modified in the Legislative Review committee
- Minimum wage requirements now would pertain to public employers
  - Beginning August 28, 2025, the minimum wage school districts would have to pay would be $13.75/hour
  - Beginning January 1, 2026, the minimum wage school districts would have to pay would increase to $15.00/hour
- **If your district currently has wages below the $15 mark, let your Senator know what this would cost your district**
  - Calculate what the increased cost would be from meeting the minimum wage requirements

- HB567 will be heard in the Senate Fiscal Oversight Committee today and will likely come up for debate this week
- MASA had a discussion with the Senate handler for this bill, but came away with no good read on how the Senate intends to proceed
- Frustration was expressed about forcing mandatory teacher salary increases, not fully funding formula, and then saddling districts with additional mandatory costs for non-certified staff
- If the Senate does approve the bill without modifying it, the bill will head to Gov for signature

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- Bill was given initial approval in the Senate, will be third read and sent back to House with changes
- Final fiscal note indicates a $429 million cut to State revenue in the first year
  - The Senate's version contains a provision that authorizes a state sales tax exemption for retail sales of diapers, feminine hygiene products, and incontinence products
  - In total, this provision may reduce revenues by $27 million to $61 million annually
  - Note that this includes an approximate $10 million direct reduction to Proposition C revenues for school districts
- MASA anticipates little opposition in the House

HB607 (Lewis) - Relating to elementary and secondary education

- HB607 is slated for a hearing in the Senate Education Committee this week
- HB607 is an omnibus bill with a number of provisions related to K-12 education
- There were substantial changes made to the bill prior to the legislative spring break
- A provision in the bill would allow districts that host virtual schools to participate in the Small Schools Grant program
  - Currently, school districts with an average daily attendance of 350 or less students qualify for additional funding
  - This bill removes from the average daily attendance count any non-resident students enrolled in the virtual school program in the school districts
- 11 provisions were added to the bill
- A detailed summary of the all of the bill's provision can be found **here**
  - All of these additional provisions are also included in SB68

MoASBO Board-Legislative Committee Update

HB629 (McGirl) - Modifies provisions relating to personal property assessments

- The bill contains a similar provision to HB816; e.g., allows the State Tax Commission to use a car guide other than NADA
- However, the bill lowers the rate at which personal property is taxed from 33.3% to 30%
  - This is a 10% reduction in personal property revenue
- Under HB629, beginning January 1, 2027, any increase in the **aggregate** personal property will no longer count as new construction
  - Personal property is typically a naturally depreciating asset
  - A district's aggregate personal property value therefore does not increase unless new/additional personal property is added
  - Districts can currently count the aggregate increase in personal property as new construction
- The above provision disallowing the aggregate increase in personal property to count as new construction would cause districts to enact a greater roll back in their levy

HB711 (Pollitt) - Admission of non-resident pupils (Open Enrollment)

- HB711 was noticed for hearing this Thursday in the Senate Education Committee
- Contact Senators to note your opposition to Open Enrollment
- Speak with Representatives as well, as there is likelihood that the Senate will modify the bill and it will need to go back to the House
- Engage teachers to speak about the bill
- MASA will share a document prepared by EdPlus that shows the breakdown of how House members voted on Open Enrollment and the districts those House members represent

HB783 (Keathley) - Clarifies the short-term authority of local taxing entities relating to certain property tax rate and property tax rate ceiling adjustments in a year following a voluntary tax rate reduction

- This bill clarifies current law by stating that reductions to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment
- This bill is still on the House calendar

HB816 (Reedy) - Modifies provisions relating to motor vehicle assessment valuations

- HB816 is on the House calendar
- The bill allows assessors to utilize a car guide other than NADA
- Assessors cannot assess a motor vehicle for an amount greater than it was assessed in the prior year
  - Reminder: districts should not budget for increases in vehicle valuations as these are assets that typically depreciate each year
- Contact Senators to let them know that **HB816** is good as currently drafted; reserve right to reconsider if changes are made to the bill

MoASBO Board-Legislative Committee Update

To Do List

- Six weeks and 25 session days left
- Bills still in their originating chamber have a slim chance of moving forward
- Stay active in the legislative process

- Contact Senators to **oppose** **HB567** (minimum wage)
- Contact Senators and Representative to **oppose** **HB711** (Open Enrollment)
- Complete a fiscal note calculator on HJR4; call your Senators to **oppose** **HJR4**
- Call Senators to **oppose** **SJR62** (cap on assessed values)
- Call Senators to **support** **HB816** and **oppose** **HB629**

April 7, 2025

MoASBO Board-Legislative Committee Update

March 31, 2025

Budget Update

- House needs to approve the budget this week and send it to the Senate
- We anticipate the budget bills will be Third Read and sent to the Senate on Thursday
- Highlights of House K-12 Budget bill
  - Formula: $3.985 billion; $200 million increase; SAT of $6,760; $300 million short of full funding
  - Transportation: $376.5 million; $15.2 million increase
  - Minimum Teacher Salary Grant: $33.4 million; no increase, but funding should be sufficient to pay for $40K minimum and $46K Masters minimum
  - Career Ladder: $68.525 million; decrease of $800K, but funding should be sufficient to cover costs for the Career Ladder program
  - Prop C: $1.3 billion; no increase; pass through

New Legislation

HB567 (Gallick) – Modifies provisions relating to employee compensation

- This bill modifies the schedule of minimum wage increases or decreases by terminating such schedule as of December 31, 2024
  - Currently, the minimum wage is set to be increased or decreased on January 1, 2027, and on January 1 of successive years, based on increases or decreases of the Consumer Price Index for Urban Wage Earners and Clerical Workers; this bill repeals that scheduled adjustment
- Currently, these provisions do not apply to public employers, as that term is defined in the bill; **this bill changes that applicability for public employers beginning on the effective date of this bill**
- The bill repeals provisions as they relate to paid sick leave requirements, including, but not limited to, under what conditions paid sick leave must be provided by employers, prohibited actions for employers and violations thereof, recordkeeping requirements, complaint and investigative procedures, a right to a cause of action for retaliation, and confidentiality of information
- This bill has an **emergency clause** for the provisions that are being repealed relating to paid sick leave

- The bill as initially filed did not pertain to school districts, but that changed when the bill was modified in the Legislative Review committee
- Minimum wage requirements now would pertain to public employers
  - Beginning August 28, 2025, the minimum wage school districts would have to pay would be $13.75/hour
  - Beginning January 1, 2026, the minimum wage school districts would have to pay would increase to $15.00/hour
- The bill was voted out of the House on March 13
- HB567 was heard in the Senate on March 24 and voted out of committee
- This bill is on the Senate calendar and will be debated this session
- **Speak with Senators about this bill and the financial strain this will place on the district**
  - Calculate what the increased cost would be from meeting the minimum wage requirements

MoASBO Board-Legislative Committee Update

Residential Real Property Legislation

SJR62 (Cierpoit) - Modifies provisions relating to property taxes

- The bill is in the 2nd position on the Senate calendar
- The bill is a Constitutional amendment which, if approved by the voters, provides that the amount by which the tax liability actually owed on real property may increase over the tax liability owed on such property during the previous year may be limited by law
- Any limits authorized pursuant to this amendment may include limits on the actual tax liability owed or limits on increases made to the assessed value of such property
  - The General Assembly cannot currently make changes to assessment practices because of a Constitutional provision that requires uniformity in assessment
- SJR62 sets the uniformity in assessment clause aside and allows the General Assembly to set a cap on residential real property assessments by State statute
  - The concern is that whatever cap is put in place initially, it will be modified (e.g., reduced) in future legislative sessions
- **Contact your Senators to oppose SJR62**

SB101 (Cierpiot) – Modifies the Senior Citizens Property Tax Relief Credit

- The Circuit Breaker program is designed to help elderly homeowners (and some renters) pay for property taxes
- The Senate may try to amend SB101 to add a assessment cap or tax cut on residential real property
- Underlying these property tax issues are the negotiations to keep the Chiefs and Royals in Missouri
- There is an effort to provide a property tax break for Jackson County so they could then approve a tax increase to pay for a new stadium(s)
- Please note, however, that any tax reduction that would become a part of SB101 would apply to entire state and not just Jackson County

HJR4 (Coleman) - Proposes a constitutional amendment relating to real property tax assessments

- Upon voter approval, beginning January 1, 2027, this proposed Constitutional amendment provides that the true value of all residential real property will be deemed to be the same value determined at the most recent previous assessment of the property
- In a new assessment or reassessment the assessed valuation of the property may be increased, provided that the increase does not exceed the change in the Consumer Price Index or 2%, whichever is less
- The limited increase may be exceeded to reflect the value added to the property as a result of new construction or improvements

- HJR4 was heard in the Senate Economic Development Committee
- The bill will likely be voted out of committee this week
- If passed, this bill would have the impact of reducing a district's bonding capacity, due to lower assessed value growth
- Growth in other areas (e.g., Commercial, Agricultural, New Construction) may initially mask the actual harm from this bill, but this bill will reduce revenue from local taxes for school districts

- Kudos to Patty Bedborough and Geoff Macy for developing a calculator to estimate the fiscal impact of HJR4

HJR4 Fiscal Note Calculator Google Doc
https://docs.google.com/spreadsheets/d/1rIS6dxxgLacHPgWpil178s2IlYFu6io4R4Ym8sL5A6g/edit?usp=sharing

Send updated fiscal impact calculations to Scott Kimble and update your fiscal note in MOLIS

MOLIS link:
https://molispublicportal.legislativeoversight.mo.gov/Locals/Onboard/?id=92D30AE142F63B4B6623BA2BE6D504BF

March 31, 2025

MoASBO Board-Legislative Committee Update

Other Legislation

SB10 (Hough) – Design/Build Authority

- Bill that allowed school districts to use design/build was passed in 2016 with a 10-year sunset
- This act repeals the September 1, 2026, sunset date on the authority for political subdivisions to use the design-build method of constructing buildings and facilities, and makes technical corrections to the underlying statute
- This bill also includes an extension of the Working After Retirement provisions

SB68 (Henderson) - Creates provisions relating to safe school environments

- This bill requires school safety incidents be reported to DESE
- This bill contains restrictions on student cell phone use
- The bill has been heard in the House Elementary and Secondary Education Committee
- The Committee intends to make some modifications to the bill related to student electronic communications provisions

SB166 (Gregory) - Requires public schools to develop cardiac emergency response plans

- This bill (as currently drafted) requires districts to have AEDs dispersed throughout the campus so that an AED could be placed on a person experiencing cardiac arrest within three minutes
- This bill is in the 12th position on the Senate calendar

SB177 (Nurrenbern) - Requires charter schools to obtain a certificate of need issued by the State Board of Education in order to be eligible to operate

- This bill requires a charter school to obtain a certificate of need

SB223 (Coleman) - Establishes provisions relating to student surveys

- SB223 requires prior notification to parents when surveys are conducted that ask about certain information as specified in the federal Protection of Pupil Rights Amendment (PPRA)
  - The Protection of Pupil Rights Amendment (PPRA) applies to the programs and activities of a state education agency (SEA), local education agency (LEA), or other recipient of funds under any program funded by the U.S. Department of Education
  - It governs the administration to students of a survey, analysis, or evaluation that concerns one or more of the following eight protected areas:
    - political affiliations or beliefs of the student or the student's parent;
    - mental or psychological problems of the student or the student's family;
    - sex behavior or attitudes;
    - illegal, anti-social, self-incriminating, or demeaning behavior;
    - critical appraisals of other individuals with whom respondents have close family relationships;
    - legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers;
    - religious practices, affiliations, or beliefs of the student or student's parent; or
    - income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program).
  - PPRA also concerns marketing surveys and other areas of student privacy, parental access to information, and the administration of certain physical examinations to minors
  - The rights under PPRA transfer from the parents to a student who is 18 years old or an emancipated minor under state law
- There is no good definition of survey in the bill or in federal law that is referenced
- If SB223 was approved, there would be a need for professional development for teachers and school counselors to ensure districts are compliant with the bill's provisions

MoASBO Board-Legislative Committee Update

- The bill would allow for private causes of actions (e.g., law suits) against districts that violate the survey requirements
- The bill is in the 4th position on the Senate calendar
- The bill could be a vehicle for other Parents Bill of Rights (PBOR) bills and DEI bills

SB266 (Fitzwater) - Establishes provisions relating to assessment of virtual school students

- This act provides that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually
- The act outlines requirements for such virtual assessments, including the monitoring of students via a camera and the maintaining of a student-to-proctor ratio that is targeted at 10-1 or lower
- This bill does not contain the provision related to the Small School Grant program as seen in HB607

SB360 (Carter) - Creates the Education Freedom Act and modifies provisions relating to the assessment of public elementary and secondary schools

- This bill deals with assessment and accreditation
- The bill is in the 11th position on the Senate calendar

SB364 (Brown) - Establishes provisions relating to state aid for schools

- This act provides that a school district shall not be deemed ineligible to receive certain state aid moneys on the basis that such school district was in session for fewer than 169 days in a school term because of inclement weather or a reduction of the required number of school days authorized by the Commissioner of Education under current law

SB485 (Schroer) - Moves school board elections to the November general election

- Under current law, elections for school board members are held on either the general municipal election day or such day as is specified in the county charter, with terms of office ranging from three years to six years, depending on the district
- This act requires all such elections to be held at the November general election and makes all such terms four years
- This act has a delayed effective date of January 1, 2026
- MSBA is taking the lead in opposition to this bill
- This bill is in the 9th position on the Senate calendar

SB594 (Burger) - Requires school districts and charter schools to display the Ten Commandments in every building and classroom under their jurisdiction

- Beginning January 1, 2026, this act requires each school district's school board and charter school's governing board to display the Ten Commandments in every building and classroom under their jurisdiction
- The display shall be at least 11 inches by 14 inches in size, with the text of the Ten Commandments as the central focus in a large, readable font
- School boards and governing boards may use their funds or accept donations to purchase the displays, although they shall not be required to spend money for this purpose

MoASBO Board-Legislative Committee Update

HB368 (Banderman) - Changes provisions governing additional state aid provided to school districts for increasing teacher salaries

- Currently, there is additional State funding for school districts that provide for 169 schools days
- This bill clarifies that a school district will still qualify for the additional funding, provided that the district calendar includes 169 days even if they are in session fewer due to inclement weather or an authorized reduction as provided for in State law

HB416 (Shields) - Modifies provisions governing school safety

- This is an omnibus school safety bill that is nearly identical to a bill filed last year
- This bill has been voted out of the House
- A summary with details of the perfected bill can be found **here**

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- HB477 came out of the House Rules Committee before Spring Break
- HB477 has been placed on the House calendar for debate
  - Efforts will be focused on the Senate to defeat the bill
- **Have SpEd directors communicate with Senators regarding the negative impacts of this legislation**

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- $335 million cut to State revenue in the first year
- HB594 is on the Senate Informal Perfection Calendar

HB607 (Lewis) - Relating to elementary and secondary education

- HB607 is an omnibus bill with a number of provisions related to K-12 education
- There were substantial changes made to the bill prior to the legislative spring break
- A provision in the bill would allow districts that host virtual schools to participate in the Small Schools Grant program
  - Currently, school districts with an average daily attendance of 350 or less students qualify for additional funding
  - This bill removes from the average daily attendance count any non-resident students enrolled in the virtual school program in the school districts
- A detailed summary of the all of the bill's provision can be found **here**

HB711 (Pollitt) - Admission of non-resident pupils (Open Enrollment)

- HB711 was sent to the Senate on March 12
- The bill was not posted for a hearing in the Senate this week
- Contact Senators to note your opposition to Open Enrollment
- Speak with Representatives as well, as there is likelihood that the Senate will modify the bill and it will need to go back to the House
- Engage teachers to speak about the bill

HB780 (Chappell) - Modifies provisions relating to the assessed valuation of residential real property

- This bill essentially provides a freeze on the value of real property for a primary residence by requiring that the assessed value be the same as the most recent assessment until the home is sold

MoASBO Board-Legislative Committee Update

HB783 (Keathley) - Clarifies the short-term authority of local taxing entities relating to certain property tax rate and property tax rate ceiling adjustments in a year following a voluntary tax rate reduction

- This bill clarifies current law by stating that reductions to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment

HB798 (Warwick) - Modifies provisions relating to income tax

- This is an individual income tax and corporate income tax bill
- If implemented, this would result in a $1.2 billion cut to general revenue

HB999 (Fowler) - Modifies provisions relating to the state tax commission's equalization authority and enforcement authority, authorizing withholding of certain revenues as a result of noncompliance

- This bill provides that the STC must ensure that the overall median ratio of assessments within each class and subclass of property in a county is between 80% and 100% of current market value
  - The median ration of assessments is currently 90% - 110%
- This bill provides that when an order is issued by the STC that requires a county to comply with state law by modifying or equalizing assessed valuations, and those modifications result in a reduction of the assessed valuations, the county is allowed 60 days to come into compliance
- The order must state the deadline for compliance, but the STC may extend the deadline upon the county's request by an additional 30 days, for a total of no more than 90 days to reach compliance
- If the county fails to comply, the STC may direct the Department of Revenue (DOR) to withhold local sales tax moneys that the county would otherwise be entitled to
- The withholding will remain in effect until the STC determines that the county has come into compliance with the order
- The amount of local sales tax that may be withheld must equal 100% of the total dollar amount of the improper assessments that were in excess of the statutorily allowed amounts

To Do List

- Call Senators regarding HB567 – state minimum wage
- Call Senators and Representatives on HB711 – Open Enrollment
- Call Senators on SJR62 - allows the General Assembly to place a cap on assessed values
- Complete the HJR4 calculator; send to Scott and update fiscal note on MOLIS

March 31, 2025

MoASBO Board-Legislative Committee Update

March 24, 2025

Legislative Session Update

- The 2025 Legislative Session ends on May 16
- There are eight weeks remaining; 33 session days

Budget Update

FY25 Supplemental Budget

- HB14 was debated and Truly Agreed to and Finally Passed by the Senate on March 12
- HB14 was signed by the Governor on March 18
  - $6,760 SAT this year
  - $15 million increase in Small Schools Grant
    - 10-month catch up payment in April; double payment in May, June
  - Additional $14.7 million to fully fund the High Needs Fund for the current year

FY26 Budget

- The House Budget Committee will meet today to add amendments to HB2 (K-12 budget bill)
- The bill will be debated this week
- Funding for the formula is still $300 million shy of full funding of the $7,145 SAT for FY26
  - It appears that the House is not likely to add money to formula before sending the budget bill to the Senate
- MASA is monitoring to see if the House will maintain the Governor's request for $50 million of State general revenue to fund vouchers

Open Enrollment

- HB711 was voted out of the House on March 12
- The bill heads to Senate for a hearing and then debate on the floor
- The House added an amendment that requires that a transfer student commit to attending the non-resident district for two years if they transfer
  - The original version of the bill required the student to stay in the non-resident district for one year

- SB215 is still on informal perfection calendar and can be brought back for debate at any time
- SB215 is not likely to move

- Members need to oppose HB711
- **Have teachers, Board members and community members contact Senators to oppose HB711**
- There is a high likelihood that the Senate will offer amendments for additional school choice provisions
  - The bill would then need to go back to the House to work out any differences

MoASBO Board-Legislative Committee Update

Working After Retirement (WAR)

- This provision is moving on a number of bills, including HB607
  - HB607 is in the Senate
  - There are some problems with HB607 because of amendments that were added to the bill
- **The WAR waiver provision has nothing to do with critical shortage**
  - The WAR provision is the 550 hours, half pay substitute language
  - Under the WAR waiver, districts can designate someone a long-term sub but pay them as a regular teacher
- The bill extends the WAR waiver until June 30, 2030
- **MASA will check with the PSRS lobbyist to clarify questions about when/how districts can use the WAR waiver provision**

PSRS - Working After Retirement brochure
PSRS - Critical Shortage

IEP Parental Consent

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- HB477 came out of the House Rules Committee before Spring Break
- HB477 can now be placed on the House calendar for debate
  - Efforts will be focused on the Senate to defeat the bill
- **Have SpEd directors communicate with Senators regarding the negative impacts of this legislation**

Residential Real Property Legislation

SJR62 (Cierpoit) - Modifies provisions relating to property taxes

- This bill was filed on February 2 and heard a week later
- The bill moved through hearing process and is now on the Senate calendar in the 7th position
- The bill is a Constitutional amendment which, if approved by the voters, provides that the amount by which the tax liability actually owed on real property may increase over the tax liability owed on such property during the previous year may be limited by law
- Any limits authorized pursuant to this amendment may include limits on the actual tax liability owed or limits on increases made to the assessed value of such property
  - The General Assembly cannot currently make changes to assessment practices because of a Constitutional provision that requires uniformity in assessment
- SJR62 sets the uniformity in assessment clause aside and allows the General Assembly to set a cap on residential real property assessments by State statute

SB101 (Cierpiot) – Modifies the Senior Citizens Property Tax Relief Credit

- The Circuit Breaker program is designed to help elderly homeowners (and some renters) pay for property taxes
- The Senate may try to amend SB101 to add a assessment cap or tax cut on residential real property
- Underlying these property tax issues are the negotiations to keep the Chiefs and Royals in Missouri
- There is an effort to provide a property tax break for Jackson County so they could then approve a tax increase to pay for a new stadium(s)
- Please note, however, that any tax reduction that would become a part of SB101 would apply to entire state and not just Jackson County

MoASBO Board-Legislative Committee Update

HJR4 (Coleman) - Proposes a constitutional amendment relating to real property tax assessments

- Upon voter approval, beginning January 1, 2027, this proposed Constitutional amendment provides that the true value of all residential real property will be deemed to be the same value determined at the most recent previous assessment of the property
- In a new assessment or reassessment the assessed valuation of the property may be increased, provided that the increase does not exceed the change in the Consumer Price Index or 2%, whichever is less
- The limited increase may be exceeded to reflect the value added to the property as a result of new construction or improvements
- A subgroup will work on how to calculate the potential cost of HJR4 and report back to MASA

Capital Gains Legislation

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- $335 million cut to State revenue in the first year
- HB594 is on the Senate Informal Perfection Calendar
- During debate, there was no opportunity for Republicans to offer amendments
- MASA is not sure what will happen with this bill but is watching to see what additional amendments might be added to HB594

New Legislation

HB77 (Loy) - Establishes the "Missouri Parental Choice Tax Credit Act" relating to a tax credit for certain educational expenses

- This bill establishes the "Missouri Parental Choice Tax Credit Act" and provides a tax credit to parents or guardians of any "qualified student" enrolling in a home school, family paced education school, private school, private virtual school, parochial school, or parish school
- The tax credit can be claimed for eligible expenses which are outlined in the bill and include the cost of tuition and fees, textbooks, and tutoring services
- The tax credit cannot exceed the lesser of the eligible qualified expenses paid by the taxpayer or the State adequacy target for the tax year
- The bill outlines specific provisions for claiming the tax credit along with eligibility restrictions
- Taxpayers participating in the Missouri Empowerment Scholarship Program are ineligible
- Tax credits are refundable but not transferable
- This program sunsets six years after the effective date
- The fiscal note on this bill has a potential cost of $900 million to $1.2 billion
- MASA does not have a positive outlook for this bill moving forward this session

SB177 (Nurrenbern) - Requires charter schools to obtain a certificate of need issued by the State Board of Education in order to be eligible to operate

- Under this act, no charter school established on or after August 28, 2025, shall be eligible to operate in Missouri without the State Board of Education's issuance of a certificate of need for such charter school as provided in the act
- A certificate of need shall be required only for proposed charter schools that are not established as of August 28, 2025, and shall not be required for charter renewals or transfers of sponsorship
- The act shall not be construed to exempt charter schools from state laws governing charter contracts or any other applicable state or federal law or regulation
- The certificate of need application shall be a written certification, including supporting documentation, submitted by the governing board of the school district or the governing body of the city or county in which

the proposed charter school would be operated, affirming that certain conditions apply to the school district in which the charter school would be operated
- The certificate of need application shall affirm that consumer demand for alternative educational options exceeds supply, and that the school district has sufficient economies of scale, as such term is defined in the act, to enable the charter school to succeed without detrimentally impacting the school district's ability to provide a free public education
- The certificate of need application shall also affirm that the charter school is likely to alleviate economic and racial inequities; improve students' academic achievement; reduce student-teacher ratios; improve efficiencies in education service delivery; reduce the number of schooling disruptions faced by children and families; and address other family priorities specified in the act
- The State Board of Education shall review each charter school certificate of need application and either approve or disapprove each application within 120 calendar days of receipt
- If the Board determines that the information provided in the application is factual and based on sound data and reasoning, the Board shall approve the application
- If the Board determines that the information provided in the application is not factual and based on sound data and reasoning, the Board shall disapprove the application and provide to the applicant written documentation of the reasons why the application was not approved

SB364 (Brown) - Establishes provisions relating to state aid for schools
- This act provides that a school district shall not be deemed ineligible to receive certain state aid moneys on the basis that such school district was in session for fewer than 169 days in a school term because of inclement weather or a reduction of the required number of school days authorized by the Commissioner of Education under current law
- This same language is also in HB712, HB368 and HB607

SB542 (Henderson) - Repeals provisions relating to the statewide assessment system
- This act repeals provisions of law requiring the State Board of Education to develop a statewide assessment system
- Instead, school districts shall use nationally norm-referenced assessments, rather than the Missouri Assessment Program, to test students' knowledge and skills
- This act shall become effective only upon notification to the Revisor of Statutes by an opinion by the Attorney General of Missouri, a proclamation by the Governor of Missouri, or the adoption of a concurrent resolution by the Missouri General Assembly that the United States Department of Education has been abolished or dismantled by an act of the United States Congress

SB594 (Burger) - Requires school districts and charter schools to display the Ten Commandments in every building and classroom under their jurisdiction
- Beginning January 1, 2026, this act requires each school district's school board and charter school's governing board to display the Ten Commandments in every building and classroom under their jurisdiction
- The display shall be at least 11 inches by 14 inches in size, with the text of the Ten Commandments as the central focus in a large, readable font
- School boards and governing boards may use their funds or accept donations to purchase the displays, although they shall not be required to spend money for this purpose

MoASBO Board-Legislative Committee Update

Other Legislation

SB68 (Henderson) - Creates provisions relating to safe school environments

- This bill requires school safety incidents be reported to DESE
- This bill contains restrictions on student cell phone use
- The bill has been heard in the House

SB166 (Gregory) - Requires public schools to develop cardiac emergency response plans

- This bill (as currently drafted) requires districts to have AEDs dispersed throughout the campus so that an AED could be placed on a person experiencing cardiac arrest within three minutes
- This bill is in the 17th position on the Senate calendar

SB223 (Coleman) - Establishes provisions relating to student surveys

- If SB223 was approved, there would be a need for professional development for teachers and school counselors to ensure districts were compliant with the bill's provisions
- The bill is in the 9th position on the Senate calendar
- The bill could be a vehicle for other Parents Bill of Rights (PBOR) bills and DEI bills

SB266 (Fitzwater) - Establishes provisions relating to assessment of virtual school students

- This act provides that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually
- The act outlines requirements for such virtual assessments, including the monitoring of students via a camera and the maintaining of a student-to-proctor ratio that is targeted at 10-1 or lower

SB360 (Carter) - Creates the Education Freedom Act and modifies provisions relating to the assessment of public elementary and secondary schools

- This bill deals with assessment and accreditation
- The bill is in the 16th position on the Senate calendar

SB485 (Schroer) - Moves school board elections to the November general election

- Under current law, elections for school board members are held on either the general municipal election day or such day as is specified in the county charter, with terms of office ranging from three years to six years, depending on the district
- This act requires all such elections to be held at the November general election and makes all such terms four years
- This act has a delayed effective date of January 1, 2026
- MSBA is taking the lead in opposition to this bill

HB284 (Proudie) - Prohibits certain discriminatory practices on the basis of race

- This bill establishes the "Missouri Creating a Respectful and Open World for Natural Hair (Missouri CROWN) Act", which governs discriminatory practices as they relate to "protective hairstyles", as defined in the bill

HB296 (Kalberloh) - Modifies provisions relating to school bus endorsements

- Currently, for persons 70 years and older who have school bus endorsements on their drivers license, the license is issued or renewed for only one year at a time, the renewal fee is waived, the school bus portion of the drivers license examination must be taken annually, and a commercial drivers license with a school bus endorsement must be issued annually
- This bill changes the age for these specific provisions to age 75 or over

MoASBO Board-Legislative Committee Update

HB416 (Shields) - Modifies provisions governing school safety

- This is an omnibus school safety bill that is nearly identical to a bill filed last year

HB780 (Chappell) - Modifies provisions relating to the assessed valuation of residential real property

- This bill essentially provides a freeze on the value of real property for a primary residence by requiring that the assessed value be the same as the most recent assessment until the home is sold

HB783 (Keathley) - Clarifies the short-term authority of local taxing entities relating to certain property tax rate and property tax rate ceiling adjustments in a year following a voluntary tax rate reduction

- This bill clarifies current law by stating that reductions to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment

HB903 (West) - Reduces the assessment percentage of tangible personal property over a period of years

- Beginning January 1, 2026, the percentage of the true value in money at which personal property is assessed will be reduced over a period of three years until it will be assessed at 18% of its true value in money
- The fiscal note for the bill indicates a $909 million cut to personal property tax revenue
- MASA not concerned that this bill will move forward, due to the cost
- We are asking everyone to stay up to date on this bill (respond to fiscal notes) and be ready to reach out when we have a better idea of what the Senate's property tax proposal will be

HB1086 (Brown) - Modifies provisions relating to the classification of certain residential real property used for short-term rentals

- This bill requires that when a single family home is leased, in whole or in part, for 30 consecutive days or less, such a home will not be considered "transient housing"

MoASBO Board-Legislative Committee Update

March 10, 2025

Legislative Spring Break next week – March 17-24
68 calendar days remaining until end of session; 37 session days

Budget Update

FY25 Supplemental Budget

- The House finalized their work on HB14, the supplemental budget for the remainder of the 2024-25 fiscal year
- The Senate appears to be acting quickly on the bill; the Senate Appropriations Committee is scheduled to hear it later this week
- Lottery proceeds are estimated to come in $80 million below projections, and gaming proceeds are estimated to be $15 million short of projections
- As a result of these developments, the Governor included a request for $95 million of general revenue funds to make up for the shortfall and ensure the formula is fully funded for the current school year
- HB14 also includes two provisions based on the passage of SB 727 last year: $15 million for the expansion of the small schools grant and $47 million in formula funding due to changes in the formula

FY26 Budget

- The House Budget Committee Chair is releasing all of the committee substitutes for consideration
- The House will mark up the FY26 budget on Thursday
- The House may choose to add additional money to formula funding before sending the bills to the Senate

Open Enrollment

- **HB711** was placed on the House calendar last Thursday
  - The bill will be third read on Wednesday and brought to floor for a vote later this week
- **SB215** is on Senate perfection calendar
- Contact legislators to oppose Open Enrollment
- A copy of a PowerPoint presentation, along with a short fact sheet, prepared by Jennifer Kephart, Superintendent of the School District of Washington, are included as attachments to this Update

Capital Gains Tax Legislation

- **HB594** passed the House and was sent to the Senate
- The fiscal note for **HB594** indicates a $335 million reduction in State general revenue
- MASA is not sure when this bill will be on the Senate floor for debate
- If the Senate passes the bill with no amendments, it will go to the Governor for signature
- If there are amendments by the Senate, it will need to go back to the House

Real Property Tax Legislation

SCS/SB87 (Nicola) - Reduces the assessment percentage for residential real property

- Districts provided updated fiscal notes, per MASA's request
- The bill was debated for two hours; Sen. Nicola introduced an updated version of the bill with a tax credit program provision similar to that used in SB190
- Senators raised concerns with bill, based on the information from the updated fiscal notes
- The State Tax Commission is sending notices to counties where assessments are out of compliance with the ratio study
- This bill may not move forward this session

MoASBO Board-Legislative Committee Update

Personal Property Tax Legislation

- **HB816** was perfected last week, third read, and voted out of the House
- Contact Senators to **support** HB816, as currently written

- **HB629** was perfected, third read, and voted out of the House
- Personal property is assessed at 30% of true value in money; this equates to a 10% reduction in revenue
- Assessors may use the "blue book" values for the current year or any of three prior years
- Beginning January 1 2027, any increase in aggregate personal property values cannot be counted as new construction
- Contact Senators to **oppose** HB629

Other Tax Legislation

HB660 (Keathley) - Modifies provisions relating to certain special taxing districts

- The bill was perfected, but not third read
- In debate, an amendment was added to the bill that included several provisions:
  - Short term rentals to be taxed as residential property (not commercial property)
  - Mapping feature provision allows folks to see levies across the State
  - The bill provides that, for a governing body of any political subdivision that levies a tax rate lower than its tax rate ceiling, the reduction to the tax rate ceiling in a non-reassessment year must be applied in the immediately following year of general reassessment; this bill also provides that an increase of the previously lowered tax rate to the tax rate ceiling in a non-reassessment year must be applied in the immediately following year of general reassessment
- This bill is likely to pass out of the House this week and move to the Senate
- You can access the full summary of HB660 at this **link**

New Legislation

HB1361 (Meirath) - Provides for a transfer board to be responsible for handling appeals of decisions made by statewide activities associations

- This bill creates the "Rue Wells Act" and defines "activities association" as any nonprofit statewide organization that facilitates interscholastic activities and includes at least one public school district
- The bill prevents activities associations from serving as their own appellate body for appeals from student athletes and creates a "Transfer Board" composed of three members appointed by the Speaker of the House of Representatives, three members appointed by the President Pro Tem of the Senate, and one member appointed by the Governor
- Within 30 days of a determination by the activities association, a student can appeal and the transfer board must convene within five days and rule on the appeal

SB265 (Fitzwater) – Creates the STEM Career Awareness Activity Fund for students in grades 9-12

- This act creates the "STEM Career Awareness Activity Fund" for the purpose of establishing a science, technology, engineering, and mathematics (STEM) activity program for students in grades nine through twelve
- Under the act, DESE shall select a provider to deliver a teacher-led program that involves facilitating a cohort of students to conduct STEM activities at state, national, or international competitions
- DESE shall select a provider that presents data demonstrating the effectiveness of the program in achieving certain goals specified in the act
- DESE shall begin soliciting applications from providers by January 1, 2026, and select a provider by March 1, 2026

MoASBO Board-Legislative Committee Update

SB460 (Gregory) - Modifies provisions relating to public school background checks

- This act adds charter schools to provisions of state law requiring background checks to be conducted on school personnel
- The act repeals language specifying the types of work screened volunteers might do for a school district or charter school
- The act requires background checks to be conducted not only on school bus drivers, but also on the drivers of other vehicles owned by school districts and charter schools
- For drivers employed or contracted by a pupil transportation company that is under contract with a school district or charter school, the pupil transportation company shall conduct the criminal background check
- HopSkipDrive is a ridesharing company that is pushing this bill
- HopSkipDrive provides transportation for children, older adults, and others who need extra support. Company, e.g., an Uber for students
- The issue they have is with the time it takes for districts to complete the background checks
- You can see more information about this company here: https://www.hopskipdrive.com/

SB556 (Henderson) - Prohibits school districts from using a three-cueing system model of reading instruction

- This act prohibits school districts from using a three-cueing system to teach students to read
- The act defines a "three-cueing system" as any model of teaching students to read based on meaning, structure and syntax, and visual cues, also known as "MSV"
- Some districts use the three-cueing system
- The objection is to removing a tool that some districts choose to utilize
- Some support for this bill may come from a podcast called "Sold A Story"
  - "Sold a Story: How Teaching Kids to Read Went So Wrong"
  - There's an idea about how children learn to read that's held sway in schools for more than a generation — even though it was proven wrong by cognitive scientists decades ago. Teaching methods based on this idea can make it harder for children to learn how to read. In this podcast, host Emily Hanford investigates the influential authors who promote this idea and the company that sells their work. It's an exposé of how educators came to believe in something that isn't true and are now reckoning with the consequences — children harmed, money wasted, an education system upended. https://features.apmreports.org/sold-a-story/

HB1386 (Keathley) - Expands provisions governing pilot recovery high schools

- Currently only public high schools may establish a recovery high school for students diagnosed with substance use disorder or dependency
- This bill defines "sponsoring entity" and includes DESE, magnet schools, charter schools, and public and private schools as entities that may establish a recovery high school
  - The bill expands who can establish a recovery high school
- The recovery high school will annually adopt a policy establishing a tuition rate no later than February 1 of the preceding school year
- The sending district of an eligible student pays tuition to the recovery high school equal to the lesser of tuition rate or the SAT plus the average sum produced per child by the local tax effort above the SAT of the sending district
- If costs associated with the provision of special education and related disability services to the student exceed the tuition amount, the sending district shall remain responsible for paying the excess cost to the recovery high school

MoASBO Board-Legislative Committee Update

SB370 (Moon) - Phases out the corporate income tax

- This act phases out the corporate income tax over a period of years beginning with the 2026 tax year
- Each annual reduction in the tax rate shall be by 0.8%, and beginning with the 2030 tax year there shall be no income tax on corporate income
- Fiscal notes estimate the financial impact to be $900 million annual cut to general revenue

HB1516 (Hurlbert) - Enacts provisions governing adult student access to virtual schools

- This bill provides adults over 21 years of age without a high school diploma or equivalence certificate with the opportunity to enroll in a state approved virtual course or full-time virtual program offered by the adult student's resident district or charter school
- The bill allows the adult student to enroll in the Missouri Course Access and Virtual School Program established under Section 161.670, RSMo. and the student will be counted as a resident pupil for state funding purposes
- Students come back onto formula and use taxpayer dollars to fund virtual providers

HB1180 (Oehlerking) - Requires the department of elementary and secondary education to develop a curriculum on personal finance to be used by school districts

- Starting in the 2026-27 school year, district must require students to complete one-half unit credit of personal finance in order to graduate high school
- Schools can waive the requirement for certain transfer students as specified in the bill
- This bill requires DESE to convene a work group to develop and recommend academic performance standards relating to the one-half unit of credit in personal finance
- Members of the work group must include educators who provide instruction in personal finance, a representative from the Missouri Association of Career and Technical Education, and others specified in the bill with at least 25% of the members comprised of educators
- The State Board of Education (SBE) must adopt and implement academic performance standards for the 2026-27 school year and all subsequent school years
- Every seven years, the SBE will review the academic performance standards to determine whether they should be updated to reflect trends and best practices in the current economy

HB248 (Reedy) - Requires public schools to offer a driver education course that students must complete before graduating

- This bill requires the State Board of Education to develop a driver education instruction and training program to be offered as part of the health curriculum in public and charter schools to pupils in grades nine to 12
- The instruction and training will be made available by the 2026-27 school year and districts and charter schools will offer the instruction or a similar program
- The instruction must include, but is not limited to, habits and skills necessary for the safe operation of motor vehicles, distracted driving hazards, and traffic stop procedures
- The instruction does not require physical operation of a vehicle and the bill does not prohibit schools from offering additional driver education courses

MoASBO Board-Legislative Committee Update

Other Legislation to Watch

SB155 – Requires public schools to develop cardiac emergency response plans

- The bill contained language that said an AED had to be applied within three minutes; this created a liability issue for districts
- MUSIC reviewed the language and worked with the American Heart Association on substitute language
- The cost for providing the AEDs, as well as the replacement batteries every couple of years, is significant

HB329 (Haley) - Modifies the total cost of living adjustments for members of the Public School Retirement System and the Public Education Employee Retirement System

- Currently, retired members of the Public School Retirement System ("PSRS") and the Public Education Employee Retirement System ("PEERS") may receive yearly cost of living adjustments on monthly retirement allowances, but the total of the cost of living adjustments must not exceed 80% of a member's original monthly retirement allowance
- Under the provisions of this bill, the 80% limitation will be subject to annual increases approved by the Board of Trustees beginning December 31, 2025, and every December 31st thereafter, except the increases to the limitation must not exceed 1% per year
- Additionally, if the investments of the system earn 2% or greater returns than the investment return rate adopted by the Board, the limitation on the total cost of living adjustments must be increased by 1%; however, the cost of living adjustments must not exceed 100% of a member's original monthly retirement allowance
- PSRS is opposed to this bill as it will likely lead to a required increase in the contribution rates from employees and employers
- The bill was voted out of the House Pensions Committee
- MRTA is in favor, but other education associations are opposed

SB101 (Cierpiot) – Modifies the Senior Citizens Property Tax Relief Credit

- Current law authorizes an income tax credit for certain senior citizens and disabled veterans in amount equal to a portion of such taxpayer's property tax liabilities, with the amount of the credit dependent on the taxpayer's income and property tax liability
- This act modifies the definition of "income" to increase the amount deducted from Missouri adjusted gross income from $2,000 to $2,800, or, for claimants who owned and occupied the residence for the entire year, such amount is increased from $4,000 to $5,800
- The maximum allowable credit under current law is limited to $750 in rent constituting property taxes actually paid or $1,100 in actual property tax paid
- This act increases such amounts to $1,055 and $1,550, respectively, and annually adjusts such maximum amounts for inflation
- Additionally, current law limits the tax credit to qualifying taxpayers with an income of $27,500 or less, or $30,000 in the case of a homestead owned and occupied by a claimant for the entire year
- This act increases such maximum income to $38,200 for claimants with a filing status of single, $42,200 for claimants with a filing status of single and who owned and occupied a homestead for the entire year, $41,000 for claimants with a filing status of married filing combined, and $48,000 for claimants with a filing status of married filing combined and who owned and occupied a homestead for the entire year, and annually adjusts such amounts for inflation

MoASBO Board-Legislative Committee Update

March 3, 2025

Small schools day at Capitol this Wednesday, March 5, and next Wednesday, March 12

Budget Update

- House Appropriations Committee meets tomorrow; this is a subcommittee of the House Budget Committee
- The Appropriations Committee will discuss DESE budget recommendations and the Governor's budget proposals for K-12 education
- The Appropriations Committee will offer changes to full the House Budget Committee
- The Senate Appropriations Committee will also meet this week; it will hear testimony from DESE on their budget request

February Financials Update– February 28

- February general revenue is up 5.9%; February was a good month for general revenue
  - General revenue is now only down 1.3% for the year
- Sales tax revenue was up 12% in February
  - Prop C is now only down 1.4% for the year
  - This is good for Prop C, as it lessens the chance for an issue with Prop C payments in the 2025-26 school year

Open Enrollment (OE)

- **HB711** was voted out of the House Rules Committee; the bill is now eligible for debate
- This bill is not on the House calendar yet

- **SB215** is still on Senate Informal Perfection Calendar; it can be brought back at any time
- The Senate likely is not inclined to move this version of OE, as some Senators have objections to SB215 as currently drafted
- The bill may be brought up for debate, but it may not move forward

- Education group's legislative platforms call for opposition to OE
- We need members to oppose both bills
- Have Board members, teachers, and community members engage with legislators to share that we are opposed to OE
  - This push back can help to kill bill or modify language
- Please contact senators for SB215 and House members for HB711

IEP Parental Consent Legislation

- **HB477** was noticed for a Rules Committee hearing; action was postponed twice
- Calls regarding this legislation are starting to have a positive impact on not moving this bill forward
- SpEd Directors need to continue to make calls

School Safety Incident Reports/Cell Phone Usage Legislation

SB68 (Henderson) - Creates provisions relating to safe school environments

- This bill is on the Senate calendar in third position
- The bill was modified, third read and sent to the House
- Following is the perfected language of this bill

MoASBO Board-Legislative Committee Update

School Safety Incident Reports

- This act requires local educational agencies to report to DESE all school safety incidents and credible school safety threats that occur at each attendance center of the local educational agency, including all actual incidents or credible threats of school shootings or other incidents or threats involving a firearm, explosive, knife, or other weapon, as provided in the act
- DESE shall establish procedures for local educational agencies to follow when reporting a school safety incident or credible threat
- These procedures shall include, but shall not be limited to, criteria to assist local educational agencies in determining what constitutes a school safety incident or credible threat that is required to be reported; a time frame within which such incident or threat shall be reported; and any other information required by DESE
- DESE shall maintain and regularly update a database of all school safety incidents and credible school safety threats that are reported pursuant to the provisions of the act
- Any record in the database that contains personally identifiable information of a student shall be a closed record under the Missouri Sunshine Law
- Any aggregate data that does not contain any personally identifiable information of a student shall be a public record subject to disclosure under the Missouri Sunshine Law

Student Electronic Personal Communication Device Usage

- Beginning in the 2025-26 school year, this act requires school districts and charter schools to adopt a written policy governing students' use of electronic personal communication devices, as such term is defined in the act
- For purposes of this section, "electronic personal communications device" includes, but is not limited to, the following:
  - (1) Cellular telephones;
  - (2) Paging devices;
  - (3) Beepers;
  - (4) Mobile telephones that offer advanced computing and internet accessibility;
  - (5) Digital media players;
  - (6) Portable game consoles;
  - (7) Tablets, notebooks, or laptop computers;
  - (8) Digital cameras;
  - (9) Digital video or audio recorders;
  - (10) Smart watches; and
  - (11) Devices that can connect and transmit data 15 through Bluetooth technology
- The policy shall be designed to promote students' educational interests and provide a safe and effective working environment for school staff
- At a minimum, the policy shall prohibit students from using devices from the beginning until the end of the school day, outline disciplinary actions for policy violations, and provide exceptions for device use in emergencies, as defined in the act, for instructional purposes, or when authorized for health or special educational purposes under federal law, as provided in the act
- The policy shall be published on the school district or charter school website, and school employees or volunteers shall be protected from liability when acting in good faith and following the adopted procedures
- This provision shall expire on August 28, 2032

MoASBO Board-Legislative Committee Update

Work After Retirement (WAR)/Design Build Legislation

SB10 (Hough) – Design/Build Authority

- This bill was third read and passed out of the Senate; the bill is now in the House
- We are in favor of removing sunsets on design/build authority
- This bill also includes the removal/modification of various other sunset provisions
- The bill now includes a change to WAR that extends the sunset to June 30, 2030 (5 additional years)

Homeschool Student Participation Legislation

SB63 (Brown) - Repeals and establishes provisions relating to participation of certain students in non-traditional educational settings

- The bill was perfected and third read; the bill was sent to the House
- The bill essentially removes MSHSAA's ability to regulate home school participation
- MSHSAA sent notices to districts last week asking members to contact legislators
- The bill moved more quickly through the Senate than anticipated
- A summary of the revised language of SB63 is below

Declarations of Intent to Home School (Section 167.042)

- The act repeals a provision authorizing parents to submit a written declaration of intent to home school their child to the recorder of deeds of the county where the child legally resides or to the superintendent of the public school district where the child legally resides.

Participation in Public School Activities (Section 167.790)

- The act provides that a school district or charter school shall not be a member of, or remit any funds to, a statewide activities association that prohibits a student receiving instruction at a Family Paced Education school or "FPE school", as such term is defined in current law, a home school, or a full-time virtual school from participating in any event or activity offered by the charter school or by the school district in which the student resides or that requires such students to take any class at a charter school or public school in order to participate in such event or activity
- The act further provides that a school district or charter school shall not prohibit such a student from participating in any event or activity offered by the charter school or by the school district in which such student resides or require such student to take any class in order to participate in such event or activity
- A school district or charter school may establish an attendance policy for any required coursework, rehearsals, practice sessions, or training sessions that are directly related to and required for participation in an event or activity
- A school district or charter school may also require students to participate in components of instruction that are required for participation in fine arts activities, career and technical student organizations, or integrated cocurricular activities
- A statewide activities association shall not prohibit any member school district or charter school from participating in any event with a school that is not a member of the association
- Any school disciplinary policies and attendance policies shall be applied in the same manner to all students who participate in an event or activity
- A school district or charter school shall not establish a separate disciplinary or attendance policy for students who receive instruction at an FPE school, a home school, or a full-time virtual school
- If a student whose academic performance or disciplinary status would preclude such student from eligibility to participate in extracurricular events or activities in his charter school or resident school district disenrolls from such charter school or school district in order to receive instruction at an FPE school, a home school, or a full-time virtual school, such student shall not be eligible to participate in charter school or public school events or activities in the charter school or school district of such student's disenrollment for twelve calendar months from the date of disenrollment

MoASBO Board-Legislative Committee Update

- The parent of a home school student shall oversee any academic standards relating to such student's participation in a charter school or public school event or activity
- Any records created pertaining to an FPE school student, home school student, or a full-time virtual school student shall be made confidential
- The act outlines certain criteria that FPE school, home school, and virtual school students shall satisfy in order to be eligible to participate in charter school or public school activities in their district of residence; for example, such students shall provide proof of residency in the district or within the boundaries of the attendance center or charter school in which they wish to participate in charter school or public school activities. They shall also adhere to the same behavior, responsibility, performance related to the activity, and code conduct standards as do students who are enrolled in the charter school or school district.

Capital Gains Tax Cuts Legislation

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- This bill was passed out of the House, was heard in the Senate, and voted out of Committee
- This bill can be brought up for debate this week
- We need to watch to see if any other tax reductions are added to this bill

Reduction in Assessment – Real Property Tax Legislation

SCS/SB87 (Nicola) - Reduces the assessment percentage for residential real property

- The **original version** of the bill included reductions to agricultural and commercial property assessment percentages
- The current version of the bill only addresses changes to real property assessment percentages
- The modified language of this bill is below
  - Current law assesses residential real property at 19% of its true value in money
  - Beginning with the 2026 tax year, this act reduces such percentage by 0.25% every two years until, for all tax years beginning on or after January 1, 2040, residential real property shall be assessed at 17% of its true value in money
    - Example: starting in in 2026, the assessment percentage for residential real property would move from 19% to 18.75%

- Is this just a talking point bill?
- The bill is on the Senate calendar in 8th position and could come up for debate this week
- Scott is asking that districts do an updated fiscal note on this bill
  - Calculate the impact of moving the residential real property assessment percentage to 17%
- Send your updated fiscal note information directly to Scott – scott.kimble@mcsa.org

Personal Property Tax Legislation

SB294 (Brattin) - Modifies provisions relating to personal property taxes

- Current law requires that personal property be assessed at 33.3% of its true value in money
- This act requires political subdivisions to annually reduce such percentage such that the amount by which the revenue generated by taxes levied on such personal property is reduced is substantially equal to one hundred percent of the growth in revenue generated by real property assessment growth, as defined in the act
- Annual reductions shall be made until December 31, 2074; thereafter, the percentage of true value in money at which personal property is assessed shall be equal to the percentage in effect on December 31, 2074

MoASBO Board-Legislative Committee Update

- Subject to appropriations, a political subdivision that receives less than the allowable amount of total real and personal property tax revenues shall be eligible for reimbursement from the state in an amount equal to the amount by which such revenues are below the allowable amount

HB816 (Reedy) - Modifies provisions relating to motor vehicle assessment valuations

- HB816 is on the House calendar
- The bill allows assessors to utilize a car guide other than NADA
- Assessors cannot assess a motor vehicle for an amount greater than it was assessed in the prior year
  - Reminder: districts should not budget for increases in vehicle valuations as these are assets that typically depreciate each year
- Contact Representatives to let them know that **HB816** is good as currently drafted; reserve right to reconsider if changes are made to the bill

HB629 (McGirl) - Modifies provisions relating to personal property assessments

- This bill is on the House calendar
- The bill contains a similar provision to HB816; e.g., allows the State Tax Commission to use a car guide other than NADA
- However, the bill lowers the rate at which personal property is taxed from 33.3% to 30%
  - This is a 10% reduction in personal property revenue
- Under HB629, beginning January 1, 2027, any increase in the **aggregate** personal property will no longer count as new construction
  - Personal property is typically a naturally depreciating asset
  - A district's aggregate personal property value therefore does not increase unless new/additional personal property is added
  - Districts can currently count the aggregate increase in personal property as new construction
- The above provision disallowing the aggregate increase in personal property to count as new construction would cause districts to enact a greater roll back in their levy

Other Tax Legislation

HB660 (Keathley) - Modifies provisions relating to certain special taxing districts

- This is a mini omnibus bill; the link above will take you to a summary of the bill's provisions
- One provision of the bill defines the current tax rate ceiling and increased tax rate ceiling
  - When a majority of voters in a political subdivision approve a tax rate increase, the subdivision must use the current tax rate ceiling and the approved increase for the following tax year
  - If the assessed valuation of real property decreases in that year, the subdivision can adjust its levy rates to ensure it receives the same revenue it would have received without the property value reduction
  - The use of the increased tax rate ceiling must be revenue neutral, as mandated by the Missouri Constitution
- It appears that the language would allow districts, in those instances where overall assessed values decrease, to raise their levy above the voter-approved tax rate ceiling
  - This is different that what districts can currently do, as a result of the Strain-Japan ruling
- MASA is checking with State Auditor to determine the impact of the tax rate ceiling language

MoASBO Board-Legislative Committee Update

New Legislation

SB276 (Coleman) - Creates and modifies provisions relating to access to pornographic materials

- Currently, public schools and public libraries are required to take certain actions to prevent minors from accessing pornographic materials on a public access computer. This act adds charter schools and digital library catalogs to these provisions of law.
- The act defines a "digital library catalog" as an electronic database, application, or website that lists the materials in a public school, charter school, or public library and allows users to search for them, including, but not limited to, books, electronic books, periodicals, and multimedia content, including, but not limited to, images, audio, and videos.
- A public school or charter school shall post on its website the names of all books required for students and provide parents access to the school's digital library catalog. In addition, each school district and charter school shall adopt a written educational material challenge policy that allows any individual to dispute or challenge the district's or school's age-appropriate designation assigned to any book, material, or display in the district or school.
- A student's parent may bring a civil action, including an action for injunctive relief or for damages, against any school board member, charter school governing body member, or other school official, including library personnel, for a violation of this act that occurs as a result of gross negligence or willful and wanton misconduct, as provided in the act.
- Under provisions of this legislation, outside groups could ask for books to be banned.

SB483 (Schroer) - Modifies provisions relating to providing explicit sexual material to a student

- This act provides that any library district or school district that employs a person who has been found guilty of the offense of providing explicit sexual material to a student shall no longer be eligible to receive any state funds
- Additionally, this act modifies the offense of providing explicit sexual material to a student to include situations where a person approves of the provision of such material
- The act also adds library board members to the definition of persons who are "affiliated with a public or private elementary or secondary school in an official capacity"

SB344 (Washington) - Requires schools that receive state funds to give students excused absences for attending scheduled elections with their parents

- This act provides that a student enrolled in a school that receives state funds shall not be considered absent for the time such student spends attending a scheduled primary, general, or special election with his or her parent, legal guardian, or person standing in loco parentis to the student
- A student may receive only one excused absence during each scheduled election
- Upon his or her return to school, the student shall be encouraged by school officials to demonstrate his or her attendance at the election by wearing an official sticker, badge, or other item indicating that he or she attended the election

SB375 (Washington) - Requires school districts and charter schools to offer students who are 17 1/2 years old the opportunity to register to vote

- At least twice during each school year, this act requires school districts and charter schools to offer students who are at least 17-1/2 years old the opportunity to register to vote
- The first opportunity shall occur during school hours on the fourth Tuesday in September; the second opportunity shall occur at a later time and shall be conducted by the local election authority in whose jurisdiction the school district or charter school is located
- The school district or charter school shall coordinate with the local election authority to provide the second voter registration activity

MoASBO Board-Legislative Committee Update

- The Secretary of State shall prepare materials regarding voter registration to be distributed at each voter registration activity conducted pursuant to the provisions of the act
- Each school district and charter school shall file a report regarding voter registration activities with DESE by December 31 of each year.

SB485 (Schroer) - Moves school board elections to the November general election

- Under current law, elections for school board members are held on either the general municipal election day or such day as is specified in the county charter, with terms of office ranging from three years to six years, depending on the district
- This act requires all such elections to be held at the November general election and makes all such terms four years
- This act has a delayed effective date of January 1, 2026

Other Legislation

HB1238 (Haley) - Modifies provisions governing pupil attendance at nonresident schools

- Currently, school districts cannot charge tuition for the children of any teacher employed by the school district if their resident district is outside of the school district in which they are working
- Additionally, such students count as resident pupils for the purpose of state aid for the school district they are attending
- This bill expands who can qualify for this tuition waiver and state aid qualification and allows any child whose parent is a contractor or regular employee of a non-resident school district to attend such school district without paying tuition and to count as a resident pupil for the purpose of state aid
- School districts can require documentation from contractors and impose a minimum number of days worked, up to 60, in order to qualify for these benefits

HB1287 (Lewis) - Enacts the Missouri Educators and Parental Empowerment and Rights Act

- This bill combines elements of a parent's bill of rights bill with elements of a teacher's bill of rights bill
- There are many issues to work through with this bill

MoASBO Board-Legislative Committee Update

February 24, 2025

MASA Webinar – Minimum Teacher Salary

- Wednesday, February 26, 1:30 – 3L00 pm
- Presenters include: Herry Girdner (Princeton), Andy Turgeon (Knox County), Scott Kimble (MASA), Paul Katnik (DESE), and Duane Martin (EdCounsel)
- Email link will be sent to member superintendents the day of the event

Budget Update

- All 16 budget bills will be heard in House Budget Committee
- HB2 is budget bill for K-12 education
- The Budget Subcommittees can make recommendations for changes to the bills, then send them back to the House Budget Committee
- We re early in the process but we can expect to see movement on these bills now

New Legislation- House Bills

HB113 (Seitz) - Modifies guidelines for student participation in athletic contests organized by sex

- Currently, schools can only allow students to compete in athletics competitions designated for the student's biological sex, as indicated on the student's official birth certificate
- Provided, however, that female students may participate in athletics competitions designated for male students if no corresponding competition for female students is offered
- This provision is set to expire on August 28th, 2027; the bill removes the expiration date for this language

HB970 (Hardwick) - Establishes provisions relating to video lottery gaming terminals, licenses, and regulation

- This bill pertains to video gaming machines that are commonly located in gas stations
- The bill seeks to regulate and tax these machines, with half of the revenue going to k-12 and half to higher education
- Video lottery game operators must pay the Commission 34% of the adjusted gross receipts from video lottery games, which must be deposited into the State Lottery Fund. The Commission will allocate these funds as follows:
  - (1) Retain an amount for necessary to cover administrative expenses not covered by operator reimbursements;
  - (2) Distribute funds to municipalities and counties based on tax revenue from video lottery game terminals. Each municipality and county will receive 10% the revenue generated within its boundaries for public safety services at the terminals. These funds will be placed in the general revenue fund of each municipality and county; and
  - (3) Deposit the remaining funds into the State Lottery Fund, which must be equally allocated to public elementary and secondary education and public institutions of higher education. Emphasis must be placed on student transportation costs and workforce development programs, and the funding will supplement, not replace, existing education appropriations.
- Note: All proceeds in the State Lottery Fund go to K-12 education now
- A full summary of the bill can be found **here**

MoASBO Board-Legislative Committee Update

HB1062 (Terry) - Prohibits a political subdivision from adopting policies for property transferred by political subdivisions from being used for lawful education purposes by a charter school
HB1254 (Baker) - Prohibits a political subdivision from adopting policies for property transferred by political subdivisions from being used for lawful education purposes by a charter school
HB1363 (Hruza) - Prohibits a political subdivision from adopting policies for property transferred by political subdivisions from being used for lawful education purposes by a charter school

- These bills prohibit ordinances, resolutions, and policies that prohibit school districts from leasing, selling, or transferring property to a charter school for a lawful educational purpose
- The bills require that deed restrictions or affirmative-use deed restrictions include educational use and that any agreement for the sell, lease, or transfer of property include provisions related to the maintenance and upkeep of the property

HB1238 (Haley) - Modifies provisions governing pupil attendance at nonresident schools

- Currently, school districts cannot charge tuition for the children of any teacher employed by the school district if their resident district is outside of the school district in which they are working
- Additionally, such students count as resident pupils for the purpose of state aid for the school district they are attending
- This bill expands who can qualify for this tuition waiver and state aid qualification and allows any child whose parent is a contractor or regular employee of a non-resident school district to attend such school district without paying tuition and to count as a resident pupil for the purpose of state aid
- School districts can require documentation from contractors and impose a minimum number of days worked, up to 60, in order to qualify for these benefits

HB1287 (Lewis) - Enacts the Missouri Educators and Parental Empowerment and Rights Act

- This bill combines elements of a parent's bill of rights bill with elements of a teacher's bill of rights bill

- This bill provides that the public policy for the State includes respecting the authority of teachers in public schools and promoting safe, respectful, and orderly learning environments while enhancing parental involvement
- The bill requires school districts and charter schools in the State to develop policies and procedures to accommodate and assist parents in the exercise of parental rights
- School boards and charter schools must adopt board policies by the beginning of the 2025-26 school year as outlined in the bill
- Policies include notification to parents of serious disciplinary incidents and procedures for parental visits during school hours
- Additionally, the bill provides that policies and procedures be published on the school website and teachers, school administrators, parents, and students be informed of their rights
- The bill outlines a student code of conduct that will set forth expectations for behavior consistent with ethical responsibility, community standards, and respect for school authority
- The code of conduct must include high expectations of personal responsibility, encouraging students to uphold traditional values such as honesty, diligence, and civility, and will clearly prohibit any policy or program that differentiates treatment of students primarily on the basis of race or other immutable characteristics, ensuring that all disciplinary measures are applied equally and fairly to every student
- School counselors and other qualified personnel will offer interventions that empathize respect for others, problem solving, and perseverance
- The bill requires that schools must make efforts to facilitate parental engagement through regular communication, opportunities for parents to review the policy handbook and the provision of resources that support ethical responsibility and community standards at home

- The bill prohibits schools from certain actions including but not limited to allowing student involvement in school assemblies without parental permission, collection of biometric data, or schools from coercion of a minor child to withhold information
- The bill also includes the "Parents' Bill of Rights" and the "Educators' Bill of Rights" which outline specific rights for parents of school children including to know what is being taught, view school records, and to know about child's safety. Educator rights listed include freedom from student abuse, classroom preparation time daily, and to teach in a safe, secure, and orderly environment

HB1316 (Billington) - Prohibits political subdivisions from requiring registration of residential property used for rental purposes

- This bill prohibits a political subdivision from requiring the owner of residential property that is offered for rent to license, register, or obtain certification for the property at any time or for any reason
- This does not apply to commercial property.
- This bill may cause problems for counties and lead to more work for assessors

New Legislation- Senate Bills

SB57 (Coleman) - Modifies provisions relating to sales tax exemptions

- This act modifies provisions relating to sales tax exemptions

FOOD SALES TAX EXEMPTION

- Current law taxes retail sales of food, as defined in current law, at a rate of one percent
- This act provides that retail sales of food shall be exempt from state sales taxes
- This act also provides that, beginning on January 1, 2026, local sales taxes imposed on food shall annually be reduced in four equal increments over a period of four years
- Beginning January 1, 2030, there shall be no local sales taxes imposed on food

DIAPERS SALES TAX EXEMPTION

- This act authorizes a sales tax exemption for the purchase of diapers, as defined in the act

- The elimination of the tax on food would result in a loss of $170 million annually in sales tax revenue
- Unsure of the financial impact of the loss of sales tax on diapers, but it would be in addition to the loss noted above

SB85 (Nicola) - Prohibits the use of artificial intelligence in the assessment of property

- This act prohibits county assessors from using any computer, computer-assisted method, or computer program that utilizes artificial intelligence for the purpose of determining the true value in money of any real or personal property

SB266 (Fitzwater) - Establishes provisions relating to assessment of virtual school students

- This act provides that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually
- The act outlines requirements for such virtual assessments, including the monitoring of students via a camera and the maintaining of a student-to-proctor ratio that is targeted at 10-1 or lower

MoASBO Board-Legislative Committee Update

SB306 (Mosely) - Modifies provisions relating to special administrative boards for unaccredited school districts

- Under this act, upon classification of a school district as unaccredited, the State Board of Education may suspend the governing or managing authority of the elected school board members of the unaccredited school district and take actions relating to special administrative boards as set forth in the act
- Current law provides that a special administrative board for a school district shall have no fewer than five members; under this act, such board shall have seven members, four of whom shall be residents of the school district
- Each member of the board shall serve for three years, and the qualifications of the members are listed in the act
- The special administrative board shall meet at least once per month and each member shall receive a salary of $500 a month
- Within 15 days after the vote to appoint a member to the special administrative board, if a member of the Missouri House of Representatives whose district includes the school district, in whole or in part, submits a request to the President Pro Tempore of the Senate, the appointment shall be subject to the advice and consent of the Senate
- The members of the school district's elected school board shall be ex-officio, non-voting members of the special administrative board; the act repeals a provision allowing the State Board of Education to appoint members of the school district's elected board to the special administrative board
- Upon failure of the school district to be classified as provisionally or fully accredited for at least two successive academic years, the State Board of Education shall require the special administrative board to establish a specific plan and timeline for achieving accreditation and require the special administrative board to appoint a new superintendent of the school district every three years
- A special administrative board may be extended for no more than three years after its expiration date by the State Board of Education
- Governance of the school district shall be returned to the elected school board upon the expiration of the authority of the special administrative board
- The act repeals a provision of law that allows the State Board of Education to appoint additional members to any special administrative board and set final terms of office for members of such board
- Finally, no later than six full school years following appointment of the special administrative board, any district operating under the governance of a special administrative board shall return to local governance

SB324 (Carter) - Requires the Department of Elementary and Secondary Education to post on its website any memorandum of understanding or other agreement with a third party

- This act requires the Department of Elementary and Secondary Education to publish on its website any memorandum of understanding or other agreement between the Department and any third party or third parties, regardless of whether the memorandum or agreement is in effect or proposed

MoASBO Board-Legislative Committee Update

SB360 (Carter) - Creates the Education Freedom Act and modifies provisions relating to the assessment of public elementary and secondary schools

- This act establishes the "Education Freedom Act" and modifies provisions relating to the statewide assessment system, school accountability report cards, and the powers and duties of the State Board of Education

STATEWIDE ASSESSMENT SYSTEM (Section 160.518)

- The act repeals provisions of current law that authorize the State Board of Education to develop a statewide assessment system and a standardized assessment instrument based on academic performance standards. Instead, the State Board shall develop a statewide summative assessment system that satisfies the requirements of federal law, and the State Board shall use the results of the assessments only for the purpose of compliance with federal law and the determination of performance districts in the calculation of state aid. The State Board shall not use assessment results to classify school districts and charter schools.
- The act repeals a provision of current law that the statewide assessment system shall permit the academic performance of students in each school to be tracked only against prior academic performance in the same school.
- Under the act, school districts and charter schools shall create, purchase, or adopt an interim assessment system that measures students' knowledge at the beginning of each school year and measures academic growth throughout the same school year. Such assessment system shall meet certain criteria outlined in the act.
- The act repeals provisions of law relating to the State Board of Education's authority to suggest criteria for a school to demonstrate that its students learn the knowledge, skills, and competencies measured by the statewide assessment system at exemplary levels. The act further repeals provisions relating to "Outstanding School Waivers" that exempt certain schools from requirements relating to the authority of the State Board to classify school districts.

SCHOOL ACCOUNTABILITY REPORT CARDS (Section 160.522)

- The act repeals provisions of state law that require the Department of Elementary and Secondary Education to produce a school accountability report card for each public school district, public school building, and charter school in the state. Under the act, school districts and charter schools shall report certain accountability data annually to the media, to all district and charter school patrons, and to the Department.
- The act repeals provisions of state law relating to the identification of priority schools that fail to meet acceptable standards of student achievement set by the State Board of Education. The act also repeals provisions relating to the identification of attendance centers that are categorized as requiring school improvement strategies.
- The act repeals the requirement for school districts and charter schools to provide their school accountability report cards to legislators by December first annually, as well as the requirement for the State Board of Education to approve the inclusion of charter school data in a school district's school accountability report card.

POWERS AND DUTIES OF THE STATE BOARD OF EDUCATION (Section 161.092)

- The act repeals provisions of state law authorizing the State Board of Education to classify public schools in the state and establish requirements for the schools of each class. The act provides that the State Board of Education shall identify a minimum of two national school accreditation agencies from which any district may seek to obtain accreditation. Any district accredited by at least one of these agencies shall be considered to be fully accredited for all legal purposes. The State Board may adopt a system of accreditation that school districts may utilize for accreditation purposes, but the State Board shall not use any such system to classify any district that chooses to utilize a national school accreditation agency as provided in the act.

- This bill seeks to provide a different path for MSIP6 by creating an alternative assessment and accreditation system for the state
- Send any feedback on this bill to MASA/SAC
- The education community has supported these assessment/accreditation changes previously

MoASBO Board-Legislative Committee Update

Prior Legislation – House Bills

HB220 (Lewis) - Authorizes and establishes standards for virtual schools or programs administering statewide assessments

- This bill specifies that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually
- The bill outlines requirements for such virtual assessments, including the monitoring of students via a camera and the maintaining of a student-to-proctor ratio that is targeted at 10-1 or lower
- Currently, school districts with an average daily attendance of 350 or less students qualify for additional funding
- This bill removes from such average daily attendance count any nonresident students enrolled in the virtual school program in such school districts

HB267 (Shields) - Modifies provisions governing teacher externships

- This bill repeals the sunset provision for the teacher externship program that expired August 28th, 2024

HB284 (Proudie) - Prohibits certain discriminatory practices on the basis of race

- This bill establishes the "Missouri Creating a Respectful and Open World for Natural Hair (Missouri CROWN) Act", which governs discriminatory practices as they relate to "protective hairstyles", as defined in the bill
- This bill specifies that no person will be subjected to discrimination based on the person's hair texture or protective hairstyle, if that protective hairstyle or texture is commonly associated with a particular race or origin, in any program or activity conducted by an educational institution that receives or benefits from "State financial assistance", as that term is defined in the Act, or that enrolls pupils who receive State student financial aid; provided, however, that such institution may require the use of hair nets or coverings or may require that hair be secured for safety purposes in any career and technical training course or class to comply with safety regulations and standards of the course or class throughout the duration of the course or class
- The provisions of this bill do not apply to an educational institution that is controlled by a religious organization if the application of such provision would not be consistent with the religious tenets of that organization

HB368 (Banderman) - Changes provisions governing additional state aid provided to school districts for increasing teacher salaries

- Currently, there is additional State funding for school districts that provide for 169 schools days
- This bill clarifies that a school district will still qualify for the additional funding, provided that the district calendar includes 169 days even if they are in session fewer due to inclement weather or an authorized reduction as provided for in State law

HB408 (Gragg) - Prohibits student use of telecommunications devices during regularly scheduled instructional activities

- This bill will require school districts to adopt a written policy on electronic telecommunication devices beginning in the 2026-27 school year
- The requirements of the policy are specified and include prohibiting student use of an "electronic personal communications device" as defined in the bill, during regularly scheduled instructional activities unless authorized by the school principal
- Exceptions are provided for students with documented needs and for health purposes
- The policy may provide guidelines and requirements for electronic telecommunication devices during emergencies, educational purposes, and non-instructional school activities, including school-sponsored field trips and during transportation

MoASBO Board-Legislative Committee Update

- Districts and charter schools must publish the policy upon demand and the bill specifies liability protections for acting in accordance with the policy.

HB416 (Shields) - Modifies provisions governing school safety

- This is an omnibus school safety bill that is nearly identical to a bill filed last year
- The bill requires, among other things, bleeding control kits; protective film on doors and windows; locks on exterior and interior doors; CPR training; active shooter drills
- The bill requires the General Assembly to provide funding to implement these safety measures
- The bill requires that all schools built after July 1, 2029, have to include these safety features in the cost of construction
- A full summary of the bill can be found **here**

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- This bill is slated for a hearing in the Rules Committee and will likely be voted out of Committee today
- MASA is actively working this bill, but **SpEd Directors need to notify legislators about the harmful effects of this bill**

HB517 – (Matthiesen) – Changes the percentage of the cap on the inflationary growth factor for the assessment growth of real or personal property occurring within a political subdivision

- This bill modifies the manner in which a political subdivision may revise each tax levy to allow for inflationary assessment growth for all subclasses of real and personal property
- Currently, the inflationary growth factor for any subclass of real and personal property is limited to the actual assessment growth, exclusive of new construction and improvements, but not to exceed the consumer price index, or 5%, whichever is lower
- This bill limits the inflationary growth factor for any subclass of real or personal property to the actual assessment growth, but not to exceed the lower of the following:
    1) The Consumer Price Index; or
    2) The following percentages:
        a) For tax levy revisions before January 1, 2026, 5%; or
        b) For tax levy revisions on or after January 1, 2026, 3%

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- For all tax years beginning on or after January 1, 2025, a taxpayer may deduct 100% of all income reported as a capital gain for federal income tax purposes
- Fiscal note estimate: loss of $334 million in general revenue in first year
- HB594 was referred to General Laws Committee

HB660 (Keathley) - Modifies provisions relating to certain special taxing districts

- Small omnibus bill specifying changes to tax levy ballot proposals

HB711 (Pollitt) - Admission of non-resident pupils

- This bill was noticed for Rules Committee hearing today and will be voted out of Committee today; then the bill is ready for debate on the House floor

MoASBO Board-Legislative Committee Update

HB783 (Keathley) - Clarifies the short-term authority of local taxing entities relating to certain property tax rate and property tax rate ceiling adjustments in a year following a voluntary tax rate reduction

- Currently, the governing body of a political subdivision may levy a tax rate lower than its tax rate ceiling
- The governing body may, in a non-reassessment year, increase the lowered tax rate without voter approval, so long as the increased rate does not exceed the tax rate ceiling
- This bill clarifies current law by stating that reductions to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment
- This bill also clarifies current law by stating that the governing body of a political subdivision may, in a non-reassessment year, increase the previously lowered tax rate in the manner provided in the bill, and that the increases to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment
- This bill appeared to be mostly clean up language; however, a closer reading showed that a provision in the bill would require districts to do away with tax rate rollbacks after one reassessment cycle
- If the district does not raise its levy in the first non-reassessment year, the tax rate ceiling resets to the voluntarily rolled back levy amount
- This could lead to districts levying their full tax rate, even if it is not needed for operations, in order to avoid losing that taxing authority

HB859 (Riggs) - Authorizes an income tax deduction for amounts paid towards tangible personal property taxes

- Beginning January 1, 2026, a qualified taxpayer will be allowed a deduction from the taxpayer's Missouri adjusted gross income in an amount equal to 100% of all tangible personal property taxes actually paid by the qualified taxpayer in a given tax year on all tangible personal property taxes owed
- Only the amounts of personal property taxes actually paid by the taxpayer qualify for the deduction and only if the amounts are paid during the tax year for which this deduction is claimed
- A deduction cannot be claimed for the amount of tangible personal property tax that has been or is used in obtaining a state tax credit, exemption, subtraction, or a different deduction
- The fiscal note for this bill indicates a $92 million loss to State general revenue

HB995 (Knight) - Modifies provisions governing lead in school drinking water

- SAC is monitoring this bill and will provide updates

HB1086 (Brown) - Modifies provisions relating to the classification of certain residential real property used for short-term rentals

- Currently, real property is divided into three separate classifications based on the use or purpose of the property and each of the subclassifications of property are assessed at different rates
- When real property is used for different purposes resulting in different classifications, the county assessor must allocate to each classification the percentage of the true value in money of the property devoted to each use
- This bill requires that when a single family home is leased, in whole or in part, for 30 consecutive days or less, such a home will not be considered "transient housing"
- The Realtors Association is opposed to the bill

MoASBO Board-Legislative Committee Update

HB1153 (Williams) - Authorizes the state Board of Education to issue certificates of license to teach upon certification by Teachers of Tomorrow

- This bill authorizes the State Board of Education to issue a Missouri teaching certificate for individuals certified by Teachers of Tomorrow with verification of their ability to work with children with 60 contact hours in the classroom
- Teachers of Tomorrow bills itself as the #1 alternative teacher certification platform in the country
- https://www.teachersoftomorrow.org/

HJR7 (Griffith) - Proposes a constitutional amendment dividing state revenues from gaming activities between public institutions of elementary, secondary, and higher education and the administration of the Missouri veterans commission

- This is a proposed Constitutional amendment dealing with the allocation of gaming revenue
- Upon voter approval, this proposed Constitutional amendment changes the allocation of state revenues derived from the conduct of all gaming activities from 100% for the public institutions of elementary, secondary, and higher education to now 90% appropriated for the public institutions of elementary, secondary, and higher education and 10% to the administration of the Missouri Veterans Commission
- This allocation of appropriation has an effective date of July 1, 2027
- This amendment has an estimated cost of $45.7 million annually – DESE estimate
- The Missouri Veterans Commission has seen their funds double since approval of medicinal and recreational marijuana sales, as a large portion of the taxes on these sales are constitutionally directed to the Veterans Commission

Prior Legislation- Senate Bills

SB4 (Cierpiot) - Modifies and creates new provisions relating to utilities

- The Senate finalized SB4 last week, a massive omnibus utility bill
- The original bill contained language that required assessors to depreciate pipelines transporting water, sewer, or natural gas on a 20 year depreciation schedule
- The final version did not include the accelerated depreciation of pipelines
- While there was not much certainty regarding the number of counties/school districts that this change would impact, it was fairly certain that in some cases the reduction in assessed valuation would have been significant
  - For example, Cape Girardeau County estimated a more than a $30 million loss in assessed value based on the language in the original bill

SB46 (Trent) – Authorizes an income tax deduction for capital gains

- SB46 is still on Perfection Calendar
- Senate version may not be brought up for debate; the Senate may just wait for the House version
- There are concerns with the bills themselves, but also concerns with what might be added to the bill (other tax measures)

SB53 (Schroer) - Authorizes a tax credit for certain educational expenses

- For all tax years beginning on or after January 1, 2026, this act authorizes a taxpayer to claim a tax credit in an amount equal to one hundred percent of qualified expenses incurred during the tax year for educating a qualified student, as such terms are defined in the act, provided that no tax credit shall exceed the state adequacy target
- Tax credits authorized by the act shall not be transferred, sold, or assigned, but are refundable

MoASBO Board-Legislative Committee Update

- To be eligible for a tax credit, a taxpayer shall not have enrolled a qualified student in the taxpayer's resident school district during the tax year for which the taxpayer is claiming a tax credit
- Tax credits authorized by the act shall be claimed by the taxpayer at the time such taxpayer files a return
- The taxpayer shall submit to the Department of Revenue certification obtained after November 15 from the Department of Elementary and Secondary Education that the taxpayer did not enroll a qualified student in the taxpayer's resident school district during the tax year for which the taxpayer is claiming a tax credit
- The amount of revenue distributed to a school district from the School District Trust Fund (Prop C) shall be reduced by an amount equal to the aggregate amount of tax credits claimed pursuant to this act by taxpayers residing in the school district

SB63 (Brown) Repeals and establishes provisions relating to participation of certain students in nontraditional educational settings

- This is a home school home school participation bill
- The link above will take you to a detailed summary of the provisions contained in this bill
- The bill's provisions also apply to full-time virtual students
- This bill was voted out of the Senate Education Committee and placed on calendar; it is in the #1 position for debate

SB68 (Henderson) - Requires local educational agencies to report school safety incidents to the Department of Elementary and Secondary Education

- This bill was placed on the Senate calendar last week; it is in the third position for debate
- An amendment was added to the bill regarding cell phone usage:
  - STUDENT ELECTRONIC PERSONAL COMMUNICATION DEVICE USAGE (Section 162.207)
  - Beginning in the 2026-27 school year, this act requires school districts and charter schools to adopt a written policy governing students' use of electronic personal communication devices
  - The policy shall be designed to promote students' educational interests and provide a safe and effective working environment for school staff
  - At a minimum, the policy shall prohibit students from using devices during scheduled instructional activities, outline disciplinary actions for policy violations, and provide exceptions for device use in emergencies, for instructional purposes, or when authorized under federal law, as provided in the act
  - The policy shall be published on the school district or charter school website, and school employees or volunteers shall be protected from liability when acting in good faith and following the adopted procedures
- Sponsor says the school safety incident reports will assist the General Assembly in allocating resources to districts that may need additional help

SB155 (McCreery) - Requires public schools to develop cardiac emergency response plans
SB166 (Gregory) - Requires public schools to develop cardiac emergency response plans
HB232 (Galik) - Requires schools to establish cardiac emergency response plans

- For the 2026-27 school year and all subsequent school years, these acts require every public school to develop and implement a cardiac emergency response plan that addresses the appropriate use of school personnel to respond to incidents involving an individual experiencing sudden cardiac arrest or a similar life-threatening emergency while on a school campus
- Members of each public school's administration shall coordinate with local emergency services providers to integrate the public school's cardiac emergency response plan into the local emergency services providers' protocols
- A cardiac emergency response plan shall integrate evidence-based core elements, such as those recommended by the American Heart Association guidelines, Project ADAM (Automated Defibrillators in Adam's Memory), or another set of nationally recognized, evidence-based standards or core elements

MoASBO Board-Legislative Committee Update

- The act outlines certain guidelines that a cardiac emergency response plan shall integrate, including the establishment of a cardiac emergency response team and the placement of automated external defibrillators (AEDs) throughout the school campus
- Appropriate AED placement shall be dictated by the cardiac emergency response plan and in accordance with guidelines set by the American Heart Association or nationally recognized guidelines focused on emergency cardiovascular care
- For schools with an athletic department or organized school athletic program, an AED shall be clearly marked and easily accessible in an unlocked location at each athletic venue and event; the AED shall be accessible during the school day and any school-sponsored athletic event or team practice
- Appropriate school personnel shall be certified in first aid, CPR, and AED use, as provided in the act; the school personnel required to be trained shall be determined by the cardiac emergency response plan and shall include, but shall not be limited to, athletic coaches, school nurses, and athletic trainers

SB195 (Brattin) - Authorizes a tax credit for certain educational expenses

- For all tax years beginning on or after January 1, 2026, this act authorizes a taxpayer to claim a tax credit in an amount equal to one hundred percent of qualified expenses incurred during the tax year for educating a qualified student in a private school or home school, as such terms are defined in the act, provided that no tax credit shall exceed the state adequacy target
- Tax credits authorized by the act shall not be transferred, sold, or assigned, but are refundable
- To be eligible for a tax credit, a taxpayer shall have enrolled a qualified student in a private school or home school during the tax year, and shall not have enrolled a qualified student in the taxpayer's resident school district during the tax year for which the taxpayer is claiming a tax credit
- Tax credits authorized by the act shall be claimed by the taxpayer at the time such taxpayer files a return
- This act shall sunset on August 28, 2031, unless reauthorized by the General Assembly
- This bill is similar to SB52, but it uses State general revenue to pay for the tax credits rather than Prop C funds

SB212 (Fitzwater) - Requires all public school shower rooms, locker rooms, and restrooms to be designated for and used by male or female students only

- Under this act, all public school shower rooms, locker rooms, and restrooms accessible for use by multiple students shall be designated for and used by male or female students only
- The act provides for the best available accommodations for any student who asserts that his or her gender differs from his or her biological sex; such accommodations may include, but are not limited to, controlled use of faculty shower rooms, locker rooms, or restrooms, or access to single-stall and unisex restrooms

SB215 (Trent) - Creates, modifies, and repeals provisions relating to student transfers to non-resident districts

- This bill was brought to floor, but placed on Senate Informal Perfection Calendar
- The bill can be brought to floor at any time

- **Please reach out to legislators this week to voice your opposition to Open Enrollment**

SJR6 (Brattin) - Amends the Constitution to assert the right of parents to participate in and direct the education of their children free from government interference

- This proposed constitutional amendment, if approved by the voters, provides that the government shall not deny or infringe upon a parent's fundamental right to participate in and direct the education of his or her child, including, but not limited to, the right to home school or otherwise educate a child outside of the public school system free from government regulation, regardless of whether the parent receives financial assistance from the government for purposes of educating a child; the right to access the curricula and

lesson plans of the public school and school district in which a child is enrolled; the right to educate a child in a public school that does not teach students or train teachers on critical race theory or diversity-equity-inclusion; and the right to educate a child in a public school that is not required to conform its curriculum to statewide learning standards, as provided in the amendment

MoASBO Board-Legislative Committee Update

February 17, 2025

Session Update

- Starting week 7; there are 49 session days left

State Revenue Update

- Revenue shortfalls exist within the lottery and gaming revenue line items
- Currently, the Governor has offered to use State general revenue to fill the gap
- Sports betting is one possible revenue source that could help in the future
- During a hearing this week in the House Budget Committee regarding the education budget, it was discovered that the sports betting revenue projection for the 2025-26 fiscal year is just $1,084,066
- 2025-26 is the first year when it would be possible to include revenue from sports betting in the budget process
- Current revenue estimates would indicate this may not be a long-term solution to funding for Missouri schools

Capital Gains / Income Tax Legislation

SB46 (Trent) – Authorizes an income tax deduction for capital gains

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- These two bills are identical
- For all tax years beginning on or after January 1, 2025, a taxpayer may deduct 100% of all income reported as a capital gain for federal income tax purposes
- Fiscal notes project that the cut to State general revenue in the first year will be approximately $335 million
- Elimination of capital gains taxes at the State level is one of Gov. Kehoe's priorities
- HB594 was voted out of the House committee, with 148 votes in favor
- HB594 was brought to the Senate floor and was laid over on the Informal Calendar, meaning it can be brought up for debate at any time
- It will be important to watch to see what other tax initiatives, if any, may be attached to these bills

HB859 (Riggs) - Authorizes an income tax deduction for amounts paid towards tangible personal property taxes

- Beginning January 1, 2026, a qualified taxpayer will be allowed a deduction from the taxpayer's Missouri adjusted gross income in an amount equal to 100% of all tangible personal property taxes actually paid by the qualified taxpayer in a given tax year on all tangible personal property taxes owed
- Only the amounts of personal property taxes actually paid by the taxpayer qualify for the deduction and only if the amounts are paid during the tax year for which this deduction is claimed
- A deduction cannot be claimed for the amount of tangible personal property tax that has been or is used in obtaining a state tax credit, exemption, subtraction, or a different deduction
- The fiscal note for this bill indicates a $92 million loss to State general revenue

MoASBO Board-Legislative Committee Update

HB798 (Warwick) - Modifies provisions relating to income tax

- Currently, the top rate of income tax may be reduced over a period of years if certain triggers are met
- Beginning January 1, 2026, a flat rate of 4.7% will be imposed on all taxable income of Missouri residents, or the top rate of tax in effect January 1, 2026, whichever is less
- Modifications to the flat rate apply only to tax years that begin on or after a modification takes effect
- This bill also removes all tax deduction triggers, and removes all existing taxable income brackets
- Currently, the Missouri combined taxable income on a combined return must include all of the income and deductions of the husband and wife, and Missouri taxable income of each spouse is an amount that is the same proportion of their Missouri combined taxable income as the Missouri adjusted gross income of that spouse bears to their Missouri combined adjusted gross income
- Beginning January 1, 2026, there will be one column for the calculation of total Missouri combined adjusted gross income on a Missouri income tax return
- Beginning January 1, 2026, this bill increases the Missouri standard deduction to the allowable federal standard deduction plus $4,000
- This bill also repeals the Missouri Working Family Tax Credit Act
- This bill has a $150 million fiscal note estimate
- MASA is gathering more information to determine the potential impact of this bill

SB53 (Schroer) - Authorizes a tax credit for certain educational expenses

- For all tax years beginning on or after January 1, 2026, this act authorizes a taxpayer to claim a tax credit in an amount equal to one hundred percent of qualified expenses incurred during the tax year for educating a qualified student, as such terms are defined in the act, provided that no tax credit shall exceed the state adequacy target
- Tax credits authorized by the act shall not be transferred, sold, or assigned, but are refundable
- To be eligible for a tax credit, a taxpayer shall not have enrolled a qualified student in the taxpayer's resident school district during the tax year for which the taxpayer is claiming a tax credit
- Tax credits authorized by the act shall be claimed by the taxpayer at the time such taxpayer files a return
- The taxpayer shall submit to the Department of Revenue certification obtained after November 15 from the Department of Elementary and Secondary Education that the taxpayer did not enroll a qualified student in the taxpayer's resident school district during the tax year for which the taxpayer is claiming a tax credit
- The amount of revenue distributed to a school district from the School District Trust Fund (Prop C) shall be reduced by an amount equal to the aggregate amount of tax credits claimed pursuant to this act by taxpayers residing in the school district

SB195 (Brattin) - Authorizes a tax credit for certain educational expenses

- For all tax years beginning on or after January 1, 2026, this act authorizes a taxpayer to claim a tax credit in an amount equal to one hundred percent of qualified expenses incurred during the tax year for educating a qualified student in a private school or home school, as such terms are defined in the act, provided that no tax credit shall exceed the state adequacy target
- Tax credits authorized by the act shall not be transferred, sold, or assigned, but are refundable
- To be eligible for a tax credit, a taxpayer shall have enrolled a qualified student in a private school or home school during the tax year, and shall not have enrolled a qualified student in the taxpayer's resident school district during the tax year for which the taxpayer is claiming a tax credit
- Tax credits authorized by the act shall be claimed by the taxpayer at the time such taxpayer files a return
- This act shall sunset on August 28, 2031, unless reauthorized by the General Assembly
- This bill is similar to SB52, but it uses State general revenue to pay for the tax credits rather than Prop C funds

MoASBO Board-Legislative Committee Update

Personal Property Legislation

SB183 (Crawford) - Modifies provisions relating to the assessment of motor vehicles

- Current law requires assessors to use the National Automobile Dealers' Association Official Used Car Guide to determine the true value of motor vehicles
- This act instead requires assessors to use the manufacturer's suggested retail price (MSRP) published in a nationally-recognized automotive trade publication chosen by the State Tax Commission; the publication chosen by the Commission shall be used for periods of at least three years and may be reauthorized by the Commission
- Beginning January 1, 2026, assessors shall apply the 25-year depreciation table provided in the act to determine the assessed value of a motor vehicle
  - It is likely that, if this legislation moves forward there likely will be attempts to allow for a shorter depreciation schedule
- In no case shall the assessed value of a vehicle be less than $100

HB349 (Reuter) - Modifies provisions relating to motor vehicle assessment valuations

- Currently, for vehicles less than two years older than the model year, a county assessor may use a value other than the average trade-in value without performing a physical inspection
- This bill specifies that the true value of motor vehicles is equal to, but no higher than, the trade-in value as published in the October issue of the National Automobile Dealers' Association Official Used Car Guide
- This statutory change, if approved, would help ensure that motor vehicle values don't increase as they did in 2021 and 2022
- It appears this bill mostly applies to high-end luxury vehicles
- 4.2% of all registered motor vehicles in the State are up to 2 years old, but not all of those vehicles are high-end luxury vehicles

HB629 (McGirl) - Modifies provisions relating to personal property assessments

- Currently, local County Assessors determine the value of new construction and improvements of both real and personal property by maintaining a yearly record of increases in valuation for each political subdivision in the county that results from new construction or improvements
- The aggregate increase in valuation of personal property for the current year over that of the previous year is the equivalent of the new construction and improvements factor for personal property
  - This appears to seek to prevent personal property value from growing due to new construction or improvements
  - This could result in an additional rollback in the calculation of your tax rate
- Beginning January 1, 2027, any increase in the aggregate valuation of personal property for the current year over that of the previous year cannot be counted as new construction
- Currently, personal property is assessed at 33.3% of its true value in money as of January 1st of each calendar year
- Beginning January 1, 2026, personal property must be assessed at 30% of its true value in money
  - This would be a 10% reduction in personal property revenue
- Currently, local County Assessors use the trade-in value published in the October issue of the National Automobile Dealers' Association Official Used Car Guide (NADA) to determine the true value of motor vehicles for the purposes of personal property tax assessments
- This bill requires the State Tax Commission to choose a nationally recognized publication, such as the NADA, Kelley Blue Book, Edmunds, or any other similar publication, and allows the Assessor to use the current or any of the three immediately previous years' October issue of such publication
- The bill's sponsor is Chair of House Ways and Means Committee
- The bill is in a Rules Committee, so it could be placed on the House calendar soon

MoASBO Board-Legislative Committee Update

HB816 (Reedy) - Modifies provisions relating to motor vehicle assessment valuations

- Currently, the assessor of each county uses the trade-in value published in the October issue of the National Automobile Dealers' Association Official Used Car Guide (NADA) for determining the true value in money of motor vehicles
- Beginning January 1, 2026, this bill allows assessors to use a nationally recognized automotive trade publication such as the NADA, Kelley Blue Book, Edmunds, or other similar publication
- The State Tax Commission will select the publication to be used, and the assessors will use the trade-in value published in the current October issue of the selected publication
- The assessor cannot assess a motor vehicle for an amount greater than the motor vehicle was assessed the previous year

Note: Districts shouldn't budget for increases in used vehicle assessed values

HB903 (West) - Reduces the assessment percentage of tangible personal property over a period of years

- Beginning January 1, 2026, the percentage of the true value in money at which personal property is assessed will be reduced over a period of three years until it will be assessed at 18% of its true value in money
- The fiscal note for the bill indicates a $909 million cut to personal property tax revenue

Real Property Legislation

HJR4 (Coleman) - Proposes a constitutional amendment relating to real property tax assessments

- Upon voter approval, beginning January 1, 2027, this proposed Constitutional amendment provides that the true value of all residential real property that has been maintained by the homeowner as his or her primary residence will be deemed to be the same value determined at the most recent previous assessment of the property
- In a new assessment or reassessment of the primary residence the assessed valuation of such property may be increased, provided that the increase does not exceed the change in the Consumer Price Index or 2%, whichever is less
- The limited increase may be exceeded to reflect the value added to the property as a result of new construction or improvements

Note: This bill does not address possible conflicts with provisions of SB190

HB1086 (Brown) - Modifies provisions relating to the classification of certain residential real property used for short-term rentals

- Currently, real property is divided into three separate classifications based on the use or purpose of the property and each of the subclassifications of property are assessed at different rates
- When real property is used for different purposes resulting in different classifications, the county assessor must allocate to each classification the percentage of the true value in money of the property devoted to each use
- This bill requires that when a single family home is leased, in whole or in part, for 30 consecutive days or less, such a home will not be considered "transient housing"
- The Realtors Association is opposed to the bill

MoASBO Board-Legislative Committee Update

SJR50 (Brattin) - Modifies provisions relating to property tax assessments

- This constitutional amendment, if approved by the voters, provides that, beginning January 1, 2027, the assessed value of residential real property shall be the most recent assessment
- For all subsequent reassessments of such residential real property, the assessed value shall not increase while the owner or owners continue to own such property
- Residential real property that is purchased, newly constructed, or undergoes a change in ownership shall be reassessed at its true value in money as provided by law, after which the assessed value of such property shall not increase while the new owner or owners continue to own such property
- The assessed value of residential real property shall reflect the value added to the property as a result of new construction or improvements, as described in the act

HB531 (Hausman) - Modifies provisions relating to property tax assessments of certain stationary property

- Beginning January 1, 2026, the provisions of current law relating to depreciable tangible personal property will apply to all real property, placed in service at any time, that is stationary property used for transportation or storage of liquid and gaseous products, including water, sewage, and natural gas that is not propane or LP gas, but not including petroleum products
- The county assessor must estimate the value of the stationary property by applying the depreciation table provided in the bill to the original cost of the property
- Taxpayers who own such stationary property must provide the assessor, on or before May 1 of the applicable tax years, with the original cost and the year placed in service
- Upon request by a taxpayer, the assessor will provide the taxpayer with certain information specified in the bill
- Please talk with your county assessor to understand the impact of this legislation on your district

General Taxation Legislation

HB660 (Keathley) - Modifies provisions relating to certain special taxing districts

- This bill specifies that if a political subdivision submits a tax proposal for a new or increased tax authorized under a specific statute and it does not pass, the proposal cannot be submitted again for two years following the rejection
- The bill allows a political subdivision to reintroduce a previously rejected tax proposal to voters before the next election cycle if the new proposal introduces a new tax authorized by law or increases the rate of existing tax authorized by law in a federal- or state-declared natural disaster area
- This bill also requires that any ballot measure proposing a tax alteration on real property must clearly state the impact of the proposed change in terms of the actual amount per $100,000 of a property's market value within the ballot language
- The bill requires that if voters are asked to approve a permanent increase to the tax rate ceiling before a temporary levy increase expires, the ballot language must clearly indicate that if the permanent increase is approved, the temporary levy will become permanent
- The bill defines "current tax rate ceiling" and "increased tax rate ceiling"
- When a majority of voters in a political subdivision approve a tax rate increase, the subdivision must use the current tax rate ceiling and the approved increase for the following tax year
- If the assessed valuation of real property decreases in that year, the subdivision can adjust its levy rates to ensure it receives the same revenue it would have received without the property value reduction
- The use of the increased tax rate ceiling must be revenue neutral, as mandated by the Missouri Constitution

MoASBO Board-Legislative Committee Update

HB517 – (Matthiesen) – Changes the percentage of the cap on the inflationary growth factor for the assessment growth of real or personal property occurring within a political subdivision

- This bill modifies the manner in which a political subdivision may revise each tax levy to allow for inflationary assessment growth for all subclasses of real and personal property
- Currently, the inflationary growth factor for any subclass of real and personal property is limited to the actual assessment growth, exclusive of new construction and improvements, but not to exceed the consumer price index, or 5%, whichever is lower
- This bill limits the inflationary growth factor for any subclass of real or personal property to the actual assessment growth, but not to exceed the lower of the following:
    3) The Consumer Price Index; or
    4) The following percentages:
        a) For tax levy revisions before January 1, 2026, 5%; or
        b) For tax levy revisions on or after January 1, 2026, 3%

HB783 (Keathley) - Clarifies the short-term authority of local taxing entities relating to certain property tax rate and property tax rate ceiling adjustments in a year following a voluntary tax rate reduction

- Currently, the governing body of a political subdivision may levy a tax rate lower than its tax rate ceiling
- The governing body may, in a non-reassessment year, increase the lowered tax rate without voter approval, so long as the increased rate does not exceed the tax rate ceiling
- This bill clarifies current law by stating that reductions to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment
- This bill also clarifies current law by stating that the governing body of a political subdivision may, in a non-reassessment year, increase the previously lowered tax rate in the manner provided in the bill, and that the increases to the tax rate ceiling in a non-reassessment year will be applied in the immediately following year of general assessment
- MASA is gathering more information to determine the potential impact of this bill

HB999 (Fowler) - Modifies provisions relating to the state tax commission's equalization authority and enforcement authority, authorizing withholding of certain revenues as a result of noncompliance

- This bill provides that the STC must ensure that the overall median ratio of assessments within each class and subclass of property in a county is between 80% and 100% of current market value
    - The median ration of assessments is currently 90% - 110%
- This bill provides that when an order is issued by the STC that requires a county to comply with state law by modifying or equalizing assessed valuations, and those modifications result in a reduction of the assessed valuations, the county is allowed 60 days to come into compliance
- The order must state the deadline for compliance, but the STC may extend the deadline upon the county's request by an additional 30 days, for a total of no more than 90 days to reach compliance
- If the county fails to comply, the STC may direct the Department of Revenue (DOR) to withhold local sales tax moneys that the county would otherwise be entitled to
- The withholding will remain in effect until the STC determines that the county has come into compliance with the order
- The amount of local sales tax that may be withheld must equal 100% of the total dollar amount of the improper assessments that were in excess of the statutorily allowed amounts

MoASBO Board-Legislative Committee Update

HJR7 (Griffith) - Proposes a constitutional amendment dividing state revenues from gaming activities between public institutions of elementary, secondary, and higher education and the administration of the Missouri veterans commission

- This is a proposed Constitutional amendment dealing with the allocation of gaming revenue
- Upon voter approval, this proposed Constitutional amendment changes the allocation of state revenues derived from the conduct of all gaming activities from 100% for the public institutions of elementary, secondary, and higher education to now 90% appropriated for the public institutions of elementary, secondary, and higher education and 10% to the administration of the Missouri Veterans Commission
- This allocation of appropriation has an effective date of July 1, 2027
- This amendment has an estimated cost of $45.7 million annually – DESE estimate
- The Missouri Veterans Commission has seen their funds double since approval of medicinal and recreational marijuana sales, as a large portion of the taxes on these sales are constitutionally directed to the Veterans Commission

Teacher Pay Legislation

HB712 (Pollitt) - Modifies provisions governing student grade-level equivalence data, teacher salaries, and substitute teachers

HB607 (Lewis) - Changes teacher salary provisions and the "Teacher Baseline Salary Grant program"

- HB712 sought to remove CPI increases in the minimum teacher salary
- HB607 sought to delay CPI increases for two years, then end them after 5 years
- SAC opposed those provisions
- Both bills were voted out of their respective committees
- Both provisions regarding changes to the CPI increases for the minimum teacher salary were removed from the bills
- MASA is hosting a Minimum Teacher Salary webinar on February 26, from 1:30 – 3:00 pm
    - 300 districts will be immediately impacted by the minimum teacher salary requirements
    - Essentially all districts will eventually be impacted, due to mandatory CPI increases
- A DESE Guidance Document on minimum teacher salaries may be sent out this week; be on the lookout for this information

- HB712 contains one new item regarding zero tolerance policies:
    - Each school district shall prohibit, in name and practice, any zero tolerance disciplinary policy or practice of discipline that results in an automatic disciplinary consequence against a pupil without the discretion to modify such disciplinary consequence on a case-by-case basis, such as automatic detention, suspension, or expulsion or the automatic imposition of other disciplinary measures.

Open Enrollment (OE) Legislation

HB711 (Pollitt) - Admission of non-resident pupils

- HB711 was voted out of House Elementary and Secondary Education Committee and is waiting on a hearing in the Rules Committee
- HB711 could be placed on the House calendar for debate next week

MoASBO Board-Legislative Committee Update

SB215 (Trent) - Creates, modifies, and repeals provisions relating to student transfers to non-resident districts

- SB215 was voted out of the Senate Education Committee last week
- SB215 is in the 7th position on the Senate Calendar and could be debated this week
- Below is a highlight of some of SB215's provisions:
  - Mandatory OE bill
  - Requires that the resident district provide transportation for transfer students
  - Allows for transfers to occur throughout the school year (monthly)
  - There is no cap on the number of students who could leave a district
  - There is no limitation on the number of transfers a student can make in a given year
  - Charter schools may participate in the OE transfer program
- SB215 may encounter opposition
- SAC will oppose OE; MSTA, MNEA and MSBA are all opposed to OE
- Please contact your Senators to oppose SB215 as the bill could would come up for debate this week
- Kyle Kruse led a webinar on February 14 on the provision of HB711 and SB215; his handouts and my notes from this webinar are included as separate attachments to my weekly Legislative Update for February 17

Instructional Legislation

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- The bill was voted out of the House Elementary and Secondary Education Committee last week and is awaiting a Rules hearing
- Please have Special Education Directors contact legislators to explain the harmful nature of this bill
- Federal law puts the IEP team in charge of placement decisions, because a team of knowledgeable individuals should be making IEP decision, not just one person
- SAC heard from Special School District and a couple of the attorney groups and there are still issues with the bill that we will need to continue to work on as it moves forward
- The text below is the bill summary from the Committee Substitute for this bill
  - This bill requires public schools that serve students with an individualized education program (IEP) to implement parental consent procedures
  - Written parental consent must be obtained and maintained for initial placement, placement changes, the reduction or addition of service minutes by more than 25% or other revisions to a student's IEP as specified in the bill
  - If the parents and local educational agency only reach an agreement on certain IEP services or interim placement, the child's new IEP will only be implemented in the areas of agreement with the current services remaining unchanged unless the local education agency follows procedures specified in the bill
  - The bill provides that if consent is not provided an additional addenda to a child's IEP on areas of disagreement may require an additional 20 school days with one extension for an additional 20 school days with consent from both parties as long as progress or additional agreements are reached
  - Dispute resolution options are provided and may occur upon request of either the school district or the parent of the child
  - If a child is identified as eligible for special education services, the parents have the right to schedule a visit for any program proposed for their child as long as that visit does not interfere with instruction
  - The Department of Elementary and Secondary Education must adopt a parental consent form, as specified in the bill, that each school district will provide to parents, and districts may not proceed with implementation of a student's IEP without the parental consent form completed except as provided in the bill
  - The bill has a delayed effective date of July 1, 2026

MoASBO Board-Legislative Committee Update

HB220 (Lewis) - Authorizes and establishes standards for virtual schools or programs administering statewide assessments

- This bill specifies that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually
- The bill outlines requirements for such virtual assessments, including the monitoring of students via a camera and the maintaining of a student-to-proctor ratio that is targeted at 10-1 or lower
- Currently, school districts with an average daily attendance of 350 or less students qualify for additional funding
- This bill removes from such average daily attendance count any nonresident students enrolled in the virtual school program in such school districts

HB941 (Lewis) - Prohibits school districts from using a "three-cueing system" model of reading instruction

- This bill prohibits school districts from using a three-cueing system to teach students to read
- The bill defines a "three-cueing system" as any model of teaching students to read based on meaning, structure and syntax, and visual cues, also known as "MSV"
- The three-cueing system model of reading is a method that uses three types of cues to help readers understand new words
- The three cues are semantic, syntactic, and graphophonic
  - Semantic: Using the meaning of words and phrases in a sentence to understand the meaning of a new word
  - Syntactic: Using grammatical features and sentence structure to understand the meaning of a new word
  - Graphophonic: Using letters and sounds to understand the meaning of a new word

HB408 (Gragg) - Prohibits student use of telecommunications devices during regularly scheduled instructional activities

- The House Education Committee passed HB408 dealing with cell phones in schools
- The bill requires districts to have policies in place and it would seem offers quite a bit of flexibility in how to structure these policies
- While the policy is mandatory, the flexibility for districts would appear to remain and districts do have discretion

School Safety Legislation

HB416 (Shields) - Modifies provisions governing school safety

- This is an omnibus school safety bill that is nearly identical to a bill filed last year
- The bill requires, among other things, bleeding control kits; protective film on doors and windows; locks on exterior and interior doors; CPR training; active shooter drills
- The bill requires the General Assembly to provide funding to implement these safety measures
- The bill requires that all schools built after July 1, 2029 have to include these safety features in the cost of construction
- A full summary of the bill can be found **here**

MoASBO Board-Legislative Committee Update

SB155 (McCreery) - Requires public schools to develop cardiac emergency response plans
SB166 (Gregory) - Requires public schools to develop cardiac emergency response plans

- For the 2026-27 school year and all subsequent school years, this act requires every public school to develop and implement a cardiac emergency response plan that addresses the appropriate use of school personnel to respond to incidents involving an individual experiencing sudden cardiac arrest or a similar life-threatening emergency while on a school campus
- Members of each public school's administration shall coordinate with local emergency services providers to integrate the public school's cardiac emergency response plan into the local emergency services providers' protocols
- A cardiac emergency response plan shall integrate evidence-based core elements, such as those recommended by the American Heart Association guidelines, Project ADAM (Automated Defibrillators in Adam's Memory), or another set of nationally recognized, evidence-based standards or core elements
- The act outlines certain guidelines that a cardiac emergency response plan shall integrate, including the establishment of a cardiac emergency response team and the placement of automated external defibrillators (AEDs) throughout the school campus
- Appropriate AED placement shall be dictated by the cardiac emergency response plan and in accordance with guidelines set by the American Heart Association or nationally recognized guidelines focused on emergency cardiovascular care
- For schools with an athletic department or organized school athletic program, an AED shall be clearly marked and easily accessible in an unlocked location at each athletic venue and event; the AED shall be accessible during the school day and any school-sponsored athletic event or team practice
- Appropriate school personnel shall be certified in first aid, CPR, and AED use, as provided in the act; the school personnel required to be trained shall be determined by the cardiac emergency response plan and shall include, but shall not be limited to, athletic coaches, school nurses, and athletic trainers

SB68 (Henderson) - Requires local educational agencies to report school safety incidents to the Department of Elementary and Secondary Education

- This act requires local educational agencies to report to DESE all school safety incidents and credible school safety threats that occur at each attendance center of the local educational agency
- Incidents include, but are not limited to:
  - all actual incidents or credible threats of school shootings or other incidents or threats involving a firearm, explosive, knife, or other weapon, as provided in the act
- DESE shall establish procedures for local educational agencies to follow when reporting a school safety incident or credible threat
- These procedures shall include, but shall not be limited to:
  - criteria to assist local educational agencies in determining what constitutes a school safety incident or credible threat that is required to be reported
  - a timeframe within which such incident or threat shall be reported; and
  - any other information required by DESE
- DESE shall maintain and regularly update a database of all school safety incidents and credible school safety threats that are reported pursuant to the provisions of the act

MoASBO Board-Legislative Committee Update

SB42 (Mosely) - Requires the Department of Elementary and Secondary Education to ensure that safety assessments are conducted on all public schools located in St. Louis City or St. Louis County

- This bill will be heard in the enate Education Committee on Tuesday
- This act requires DESE to ensure that every public school and public charter school located in St. Louis City or St. Louis County conducts an annual safety assessment of such public school or public charter school
- The Department of Public Safety (DPS), local law enforcement, and local emergency services shall provide reasonable assistance to public schools and public charter schools in order to implement the provisions of the act
- The safety assessments shall include a consideration of each school's vulnerabilities to school shootings and intruders, with specific reference to the implementation of various safety procedures, policies, and tools specified in the act.
- Each public school and public charter school that conducts an annual safety assessment pursuant to the provisions of the act shall provide a report of the findings of the safety assessment to DESE
- Based upon the findings of the safety assessments, DESE, in conjunction with DPS, shall provide to each public school and public charter school an annual report that summarizes such school's safety vulnerabilities, along with recommendations for mitigating such vulnerabilities
- Such report shall also be provided to the General Assembly
- A report created pursuant to the provisions of this act shall not be considered a public record under the Sunshine Law and shall not be available for public inspection
- This act shall become effective July 1, 2027

Construction Legislation

HB413 (Casteel) – Changes provisions relating to design-build contracts
HB513 (Voss) - Changes provisions relating to design-build contracts
HB536 (Diehl) - Changes provisions relating to design-build contracts

- Currently, political subdivisions are authorized to use the construction manager-at-risk method for certain construction projects, as defined in statute; statutory authority for that authorization is scheduled to expire on September 1, 2026
- The bills repeal the expiration of this section, allowing political subdivisions to continue to use the construction manager-at-risk method
- MASA is in favor of these bills

General Education Legislation

SB212 (Fitzwater) - Requires all public school shower rooms, locker rooms, and restrooms to be designated for and used by male or female students only

- Under this act, all public school shower rooms, locker rooms, and restrooms accessible for use by multiple students shall be designated for and used by male or female students only
- The act provides for the best available accommodations for any student who asserts that his or her gender differs from his or her biological sex; such accommodations may include, but are not limited to, controlled use of faculty shower rooms, locker rooms, or restrooms, or access to single-stall and unisex restrooms

MoASBO Board-Legislative Committee Update

SJR6 (Brattin) - Amends the Constitution to assert the right of parents to participate in and direct the education of their children free from government interference

- This proposed constitutional amendment, if approved by the voters, provides that the government shall not deny or infringe upon a parent's fundamental right to participate in and direct the education of his or her child, including, but not limited to, the right to home school or otherwise educate a child outside of the public school system free from government regulation, regardless of whether the parent receives financial assistance from the government for purposes of educating a child; the right to access the curricula and lesson plans of the public school and school district in which a child is enrolled; the right to educate a child in a public school that does not teach students or train teachers on critical race theory or diversity-equity-inclusion; and the right to educate a child in a public school that is not required to conform its curriculum to statewide learning standards, as provided in the amendment

SB115 (Brattin) - Establishes provisions regarding elementary and secondary education

- This is a Parents Bill of Rights bill, similar to what we have seen in prior years
- The link above will take you to a detailed summary of the provisions contained in this bill

SB63 (Brown) Repeals and establishes provisions relating to participation of certain students in nontraditional educational settings

- This is a home school home school participation bill
- The link above will take you to a detailed summary of the provisions contained in this bill

HB341 (Keathley) - Changes provisions governing school superintendent salaries

- This bill defines "administrative staff" and "total compensation" and requires that for the 2026-27 school year, at least 88% of the total compensation expended on teachers and administrative staff by a district, be expended on teachers
- For the 2027-28 school year and thereafter, the percentage of teacher compensation comprising the total compensation must increase by 1% until it is at least 95%

HB267 (Shields) - Modifies provisions governing teacher externships

- This bill repeals the sunset provision for the teacher externship program that expired August 28th, 2024

HB368 (Banderman) - Changes provisions governing additional state aid provided to school districts for increasing teacher salaries

- Currently, there is additional State funding for school districts that provide for 169 schools days
- This bill clarifies that a school district will still qualify for the additional funding, provided that the district calendar includes 169 days even if they are in session fewer due to inclement weather or an authorized reduction as provided for in State law

HB712 (Pollitt) - Modifies provisions governing student grade-level equivalence data, teacher salaries, and substitute teachers

- The bill was voted out of the House Elementary and Secondary Education Committee last week
- This bill extends the authorization for teachers that are retired to substitute teach without a discontinuance of the teacher's retirement benefit (Working After Retirement - WAR)
- This authorization was set to expire in 2025 and the bill moves that to 2030
- Please contact your legislators to support passage of this provision

MoASBO Board-Legislative Committee Update

HB1153 (Williams) - Authorizes the state Board of Education to issue certificates of license to teach upon certification by Teachers of Tomorrow

- This bill authorizes the State Board of Education to issue a Missouri teaching certificate for individuals certified by Teachers of Tomorrow with verification of their ability to work with children with 60 contact hours in the classroom
- Teachers of Tomorrow bills itself as the #1 alternative teacher certification platform in the country
- https://www.teachersoftomorrow.org/

SB49 (Black) - Authorizes school districts and charter schools to employ or accept chaplains as volunteers

SB118 (Moon) - Authorizes school districts and charter schools to employ or accept chaplains as volunteers

- SB49 is now on the Senate's formal calendar
- The bill is structured as a voluntary option for school districts

MoASBO Board-Legislative Committee Update

February 10, 2025

Open Enrollment

HB711 (Pollitt) - Admission of non-resident pupils

- This bill was voted out of Committee last week
- There were no changes made to the bill prior to being voted out of committee, but there are ongoing discussions about making modifications to the legislation before final approval
- The bill has not been noticed for a Rules hearing yet, but will be soon
- Once a bill is voted out of Rules, it can be placed on the calendar for debate
- This will likely occur next week

SB215 (Trent) - Creates, modifies, and repeals provisions relating to student transfers to non-resident districts

SB70 (Gregory) - Allows the enrollment of nonresident students in public school districts

- These are both Open Enrollment bills
- SB70 is very similar to HB711
- These bills were heard in Committee last Thursday
- SB70 may be merged with SB215
- The links above take you to a detailed summary of the provisions of the respective bills

- These bills were turned in to Senate Calendar on Thursday of this week and could be ready for debate next week
- SAC priorities call for opposition to Open Enrollment
- Reach out to NOW to your legislators to oppose OE
- There is a listing of districts that have gone on record in opposition to OE
  - Contact Kevin Sandlin (MARE) or Doug Hayter (MASA) if you want your district added to this list
- Last week's email contained a sample Resolution that school boards could adopt to oppose OE

Zoom Meeting on Friday, February 14 – 8:30 – 10:00 am

- Kyle Kruse will walk through the provisions of HB711 and SB215
- These are not identical bills, but both deal with Open Enrollment
- The Zoom is for MASA members only and will not be recorded

Tax Cuts- Capital Gains

SB46 (Trent) – Authorizes an income tax deduction for capital gains

HB594 (Perkins) - Authorizes an income tax deduction for capital gains

- These two bills are identical
- For all tax years beginning on or after January 1, 2025, a taxpayer may deduct 100% of all income reported as a capital gain for federal income tax purposes
- Fiscal notes project that the cut to State general revenue in the first year will be approximately $335 million
- The bills are ready for debate, which likely will occur this week
- Elimination of capital gains taxes at the State level is one of Gov. Kehoe's priorities
- The chambers will likely move quickly to advance this legislation

MoASBO Board-Legislative Committee Update

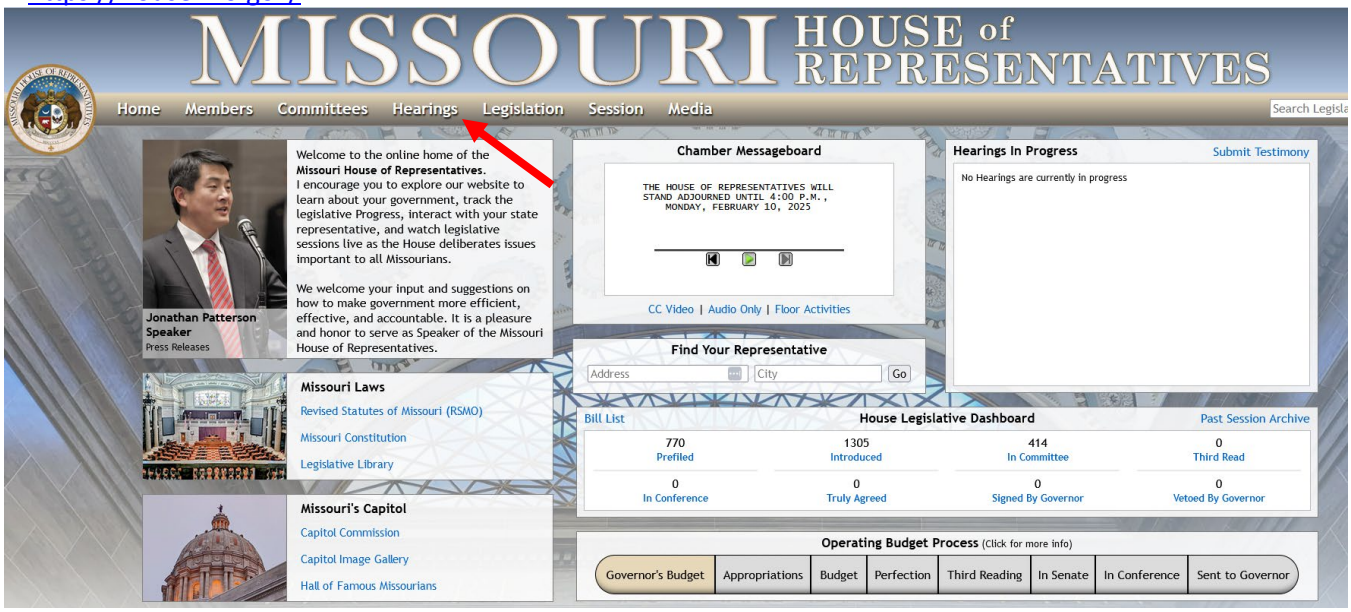
- HB594 will likely sail through the House chamber; it remains to be seen if Democrats in the Senate will stand in opposition in Senate, potentially using this as leverage for other legislative agenda items later in the session
- It will be important to watch to see what other tax initiatives, if any, may be attached to these bills

State Revenue Update

- Revenues from both lottery and casinos were running an estimated $95 million behind projections, putting the state behind fully funding the formula for the current school year
- Gov. Kehoe moved to include in his supplemental budget request the addition of general revenue funds to make up the shortfall
- Missouri's general revenues lagged in the month of January
  - The Office of Administration Division of Budget and Planning announced that January 2025 revenues were 11.5% lower compared to the previous year
  - In total, revenues are down approximately 2.2% from this same time last year
  - This shortfall exceeds the consensus revenue estimate which projects revenues to be down 0.6% for fiscal year 2025
- These state revenue numbers will be an important dynamic to watch in the coming months as any shortfall could lead to the need for additional supplemental funding from the state in order to avoid withholdings to the state budget as we end the 2024-25 fiscal year
- Because the state develops its budget based on revenue growth from one year to the next, any shortfall for the current year would also impact the 2025-26 budget as well

House Budget Committee

- The Committee will be reviewing the Governor's budget proposals this week
- MASA will watch to hear what Committee members have to say about the recommendation to not fully fund the Formula for next year
- Individuals can watch House hearing from live feed by visiting the House web site and clicking on the "Hearings" option
- https://house.mo.gov/



MoASBO Board-Legislative Committee Update

House Conservation and Natural Resources Committee

HB995 (Knight) - Modifies provisions governing lead in school drinking water

- Currently there are two Missouri statutes that address lead contamination in school water
- This bill modifies the "Get the Lead Out of School Drinking Water Act" and the definitions of "drinking water outlet" and "remediation"
- A "drinking water outlet" now includes outlets that are used for cleaning cooking or eating utensils and "remediation" now excludes flushing and adds filtering the water
- The bill requires that lead filters meet the standards set by the Department of Natural Resources and allow for the removal of a water outlet from service as an option if lead contamination is discovered
- This bill specifies that if all drinking water outlets in a school have test results of less than five parts per billion for lead, the school is only required to be tested every five years
- The bill repeals provisions regarding school districts serving students under first grade that were constructed before 1996
- MASA will follow this bill and provide updates as appropriate

Senate Government Efficiencies Committee

SB223 (Coleman) - Establishes provisions relating to student surveys

- At least 24 hours before presenting a survey to a student, this act requires schools that receive state funding to notify the parent of such student, disclose the full contents of the survey, and obtain written parental consent if the survey asks any question relating to an item that is protected under the federal Protection of Pupil Rights Amendment
- Such questions include
  - political affiliations
  - mental or psychological problems, including substance abuse issues
  - sexual behavior or attitudes
  - illegal, antisocial, self-incriminating, or demeaning behavior
  - critical appraisals of family members
  - legally recognized privileged relationships
  - religious practices, affiliations, or beliefs
  - income, except as required to determine eligibility for participation in a program or to receive financial assistance under such program
- A school may disclose the survey's contents by posting the survey on the school website on a page that is easily accessible to parents.
- The Attorney General or the prosecuting or circuit attorney in the county in which a violation of this section occurs may bring a civil action, including an action for injunctive relief, against any school official who violates the act
- A student's parent may bring a civil action, including an action for injunctive relief or for damages, against any school official for a violation of the act that causes harm to such parent's child
- Surveys are believed to be a form of DEI or Social/Emotional Learning

House Special Committee on Intergovernmental Affairs

HB607 (Lewis) - Changes teacher salary provisions and the "Teacher Baseline Salary Grant program"

- This bills seeks modification to the teacher pay provisions of SB727 that was passed last year
- See **link** for details of what is included in this bill
- SAC testified in opposition to this bill

MoASBO Board-Legislative Committee Update

House Ways and Means Committee

HJR7 (Griffith) - Proposes a constitutional amendment dividing state revenues from gaming activities between public institutions of elementary, secondary, and higher education and the administration of the Missouri veterans commission

- This is a proposed Constitutional amendment dealing with the allocation of gaming revenue
- Upon voter approval, this proposed Constitutional amendment changes the allocation of state revenues derived from the conduct of all gaming activities from 100% for the public institutions of elementary, secondary, and higher education to now 90% appropriated for the public institutions of elementary, secondary, and higher education and 10% to the administration of the Missouri Veterans Commission
- This allocation of appropriation has an effective date of July 1, 2027
- This amendment has an estimated cost of $45.7 million annually – DESE estimate
- The Missouri Veterans Commission has seen their funds double since approval of medicinal and recreational marijuana sales, as a large portion of the taxes on these sales are constitutionally directed to the Veterans Commission

HB531 (Hausman) - Modifies provisions relating to property tax assessments of certain stationary property

- Beginning January 1, 2026, the provisions of current law relating to depreciable tangible personal property will apply to all real property, placed in service at any time, that is stationary property used for transportation or storage of liquid and gaseous products, including water, sewage, and natural gas that is not propane or LP gas, but not including petroleum products
- The county assessor must estimate the value of the stationary property by applying the depreciation table provided in the bill to the original cost of the property
- Taxpayers who own such stationary property must provide the assessor, on or before May 1 of the applicable tax years, with the original cost and the year placed in service
- Upon request by a taxpayer, the assessor will provide the taxpayer with certain information specified in the bill
- This bill is the same as SB427 (2025)
- This bill includes an accelerated depreciation schedule for tangible personal property
- The language in this bill is similar to that contained in **SB4** (Cierpiot) and **SB5** (Cierpiot)
  - Those two bills are utility bills
- Underground pipes have a 100-year life cycle; counties should depreciate their value by 1% each year
  - Certain county assessors do not do this, but depreciate on an accelerated 20-year depreciation schedule
  - The State Tax Commission recently issued guidance that natural gas pipelines should be depreciated on a 50-year cycle
- SAC is okay with a 50-year depreciation schedule, but not a 20-year schedule
- The bill notes that there are approximately 18 counties in the state that are currently following the law (100-year depreciation schedule)
  - The other counties are currently depreciating on an accelerated 20-year schedule
- Boone, Platte and Cape Girardeau counties are among those that would be impacted by this change in depreciation schedule
- Every year that similar legislation has been proposed the number of counties impacted has increased
- The Assessor's association is opposed to this legislation
- Please talk with your county assessor to understand the impact of this legislation on your district

MoASBO Board-Legislative Committee Update

House Economic Development Committee

HB413 (Casteel) – Changes provisions relating to design-build contracts
HB513 (Voss) - Changes provisions relating to design-build contracts
HB536 (Diehl) - Changes provisions relating to design-build contracts

- Currently, political subdivisions are authorized to use the construction manager-at-risk method for certain construction projects, as defined in statute. Statutory authority for that authorization is scheduled to expire on September 1, 2026
- The bills repeal the expiration of this section, allowing political subdivisions to continue to use the construction manager-at-risk method
- Currently, political subdivisions are authorized to use design-build contracts for certain construction projects, as defined in statute
- Statutory authority for that authorization is scheduled to expire on September 1, 2026
- The bills repeal the expiration of this section, allowing political subdivisions to continue to use design-build contracts
- MASA is in favor of these bills

Senate Education Committee

SB56 (Coleman) - Prohibits diversity-equity-inclusion requirements in school districts and charter schools

- This act establishes provisions relating to diversity-equity-inclusion requirements in school districts and charter schools
- The act defines diversity-equity-inclusion or "DEI" as education or training requirements, policies, or programs on the subjects of antiracism, implicit bias, or any other related instructions that promote differential treatment based on race, gender, religion, ethnicity, and sexual preference, but not including instruction on state and federal laws prohibiting discrimination
- The act prohibits school districts and charter schools from requiring students, employees, and prospective employees to ascribe to, study, be instructed with, or answer questions relating to DEI, as set forth in the act
- The act further prohibits school districts and charter schools from offering any student, employee, or prospective employee any incentive, benefit, grant, or other compensation for receiving any instruction or professional development relating to DEI, except in cases where the same incentive, benefit, grant, or compensation is equally available to individuals who are not involved in the DEI instruction or professional development
- A school district or charter school shall not reward or give any advantage to any employee or job applicant for any statement advocating DEI ideologies in employment-related decisions
- Finally, employees, contractors, volunteers, vendors, or agents of a school district or charter school shall not be required to ascribe to, study, or be instructed with DEI ideologies or materials
- The Attorney General or the prosecuting or circuit attorney in the county in which a violation of the act occurs may bring a cause of action against any school district or charter school that violates the act
- An attorney acting on behalf of a school district or charter school may request an opinion of the Attorney General as to whether a particular training material or instructional or curricular material complies with the provisions of the act
- A parent of a student enrolled in a school district or charter school may bring a civil action, including an action for injunctive relief or for damages, against the school district or charter school for any violation of the act that causes harm to such parent's child

MoASBO Board-Legislative Committee Update

SB68 (Henderson) - Requires local educational agencies to report school safety incidents to the Department of Elementary and Secondary Education

- This act requires local educational agencies to report to DESE all school safety incidents and credible school safety threats that occur at each attendance center of the local educational agency
- Incidents include, but are not limited to:
  - all actual incidents or credible threats of school shootings or other incidents or threats involving a firearm, explosive, knife, or other weapon, as provided in the act
- DESE shall establish procedures for local educational agencies to follow when reporting a school safety incident or credible threat
- These procedures shall include, but shall not be limited to:
  - criteria to assist local educational agencies in determining what constitutes a school safety incident or credible threat that is required to be reported
  - a timeframe within which such incident or threat shall be reported; and
  - any other information required by DESE
- DESE shall maintain and regularly update a database of all school safety incidents and credible school safety threats that are reported pursuant to the provisions of the act

SB115 (Brattin) - Establishes provisions regarding elementary and secondary education

- This is a Parents Bill of Rights bill, similar to what we have seen in prior years
- The link above will take you to a detailed summary of the provisions contained in this bill

Bills that will be voted out of the Senate Education Committee this week include:

SB49 (Black) - Authorizes school districts and charter schools to employ or accept chaplains as volunteers

SB118 (Moon) - Authorizes school districts and charter schools to employ or accept chaplains as volunteers

- These bills allow school districts to employ a chaplain or accept a chaplain as a volunteer

SB150 (Carter) - Establishes the Career-Tech Certificate Program Fund to reimburse certain students' tuition, books, and fees to certain post-secondary training programs and programs of study

- This bill creates a Career Tech Education Program

SB70 and **SB215** -Open enrollment bills

House Special Committee on Urban Issues

HB284 (Proudie) - Prohibits certain discriminatory practices on the basis of race

- This bill establishes the "Missouri Creating a Respectful and Open World for Natural Hair (Missouri CROWN) Act", which governs discriminatory practices as they relate to "protective hairstyles", as defined in the bill
- This bill specifies that no person will be subjected to discrimination based on the person's hair texture or protective hairstyle, if that protective hairstyle or texture is commonly associated with a particular race or origin, in any program or activity conducted by an educational institution that receives or benefits from "State financial assistance", as that term is defined in the Act, or that enrolls pupils who receive State student financial aid; provided, however, that such institution may require the use of hair nets or coverings or may require that hair be secured for safety purposes in any career and technical training course or class to comply with safety regulations and standards of the course or class throughout the duration of the course or class
- The provisions of this bill do not apply to an educational institution that is controlled by a religious organization if the application of such provision would not be consistent with the religious tenets of that organization

MoASBO Board-Legislative Committee Update

House Special Committee on Tax Reform

HB780 (Chappell) - Modifies provisions relating to the assessed valuation of residential real property

- This bill essentially provides a freeze on the value of real property for a primary residence by requiring that the assessed value be the same as the most recent assessment until the home is sold
- If purchased after January 1, 2026, the assessed value must not exceed the most recent purchase price
- The assessed value may only be increased due to new construction or improvements where the added value equals a 50% increase or greater of the home's current value

- Beginning January 1, 2026, the true value in money of real property maintained and used by the owner as a primary residence for assessment purposes will be the same value determined at the most recent assessment as determined on or before December 31, 2025, subject to the following:
    - (1) For all residential real property maintained and used as the primary residence that is bought, sold, or transferred on or after January 1, 2026, the true value in money of the property for assessment purposes must not exceed the most recent purchase price; the true value in money will be maintained until the next sale of such property; or
    - (2) For all assessments of residential real property maintained and used as the primary residence on or after January 1, 2026, the assessed valuation may be increased, but only to the extent that the increase is the result of new construction or improvements made to the property where the added value equals a 50% increase or greater; this new assessed value will reflect the true value in money for all subsequent assessments until the conditions described above are met again or the next sale of the property
- If the sale of a piece of real estate results in a transaction that is below market value, the assessor must provide evidence to the Board of Equalization or other equivalent entity that the sale price should not be used as the new true value in money for assessment purposes
- The owner of the property must notify the County Assessor of new construction or improvements so that a reassessment can be made
- Participation in the assessment process is optional
- If a homeowner wishes to participate in the assessed valuation provisions as specified in this bill, the owner may opt in by notifying the assessor's office, and the homeowner's real property must be assessed under the assessment process in existence on or before December 31, 2025

HB988 (Matthiesen) - Reduces the assessment percentage of certain personal property and provides a personal property tax exemption for certain personal property upon adoption of a constitutional amendment authorizing such exemption

- This bill seeks to exempt farm machinery and motor vehicles from personal property tax
- The bill adjusts rate assessment rate for personal property from 33.3% to 30%, then reduces the rate by 2% each year until 2036, when it reaches 10%
- The bill increases the assessment percentage of agricultural land values from 12% to 15%
- The bill's provisions would be effect on January 1 of the year following the adoption of a Constitutional amendment authorizing the exemption of personal property from taxation

- Beginning January 1 of the calendar year immediately following the adoption of a Constitutional amendment authorizing the exemption of tangible personal property from taxation under Article X, Section 6 of the Constitution of Missouri, this bill will exempt farm machinery and motor vehicles from personal property taxation
- Currently, assessors annually assess all personal property at 33.3% of its true value in money

MoASBO Board-Legislative Committee Update

- Beginning January 1, 2026, the percentage of the true value in money at which personal property is assessed will be 30% of its true value in money and the amount will be reduced annually by 2% until the calendar year 2036 and every year thereafter, when personal property will be assessed at 10% of its true value in money
- This bill also decreases the percentages of true value in money for the following subclasses of personal property on or after January 1, 2036:
    (1) Livestock, currently taxed at 12%, reduced to 10%;
    (2) Farm machinery, currently taxed at 12%, reduced to 10%;
    (3) Poultry, currently taxed at 12%, reduced to 10%; and
    (4) Tools and equipment used for pollution control, currently taxed at 25%, reduced to 10%
- Currently, all agricultural or horticultural real property in Subclass (2), as defined in the Missouri Constitution, is assessed at a rate of 12%
- Beginning January 1, 2026, such real property will be assessed at a rate of 15%

HB1160 (Busick) - Modifies provisions relating to classification of mixed use agricultural real property when used for energy production activities for resale purposes

- Currently, where real property is used for more than one purpose resulting in different classifications, the county Assessor must allocate to each classification the percentage of the true value in money for the property devoted to each use
- This bill specifies that any property classified as agricultural property that is used for the purpose of energy production activities for resale must be proportionally calculated, assessed, and reclassified as commercial property
- There are two possible implications from this bill
    (1) If utilities are currently able to have the property where solar panel are located assessed as agricultural property, then the provisions in this bill would benefit school districts
    (2) If that same property is assessed entirely as commercial property, then the provisions in this bill would not benefit school districts

HB100 (Davidson) - Modifies provisions relating to income tax

- This bill creates the elimination of individual income tax
- The bill moves the individual income tax rate from its current 4.7% to 4.0% beginning in 2026
    - The 0.7% reduction results in a loss of close to $1 billion in state revenue
- In subsequent years, any year with $120 million revenue growth will result in a further reduction of 0.1% in the individual tax rate
- Any year with $180 million revenue growth will result in a reduction of 0.15% in the individual tax rate
- The fiscal note for this bill provides a range of revenue loss from $290 million to $8.4 billion
- The range is due to the uncertainty of when the revenue triggers would be met

- Beginning January 1, 2026, a flat rate of 4% personal income tax is imposed on the income of every Missouri resident
- Upon the adoption of a Constitutional amendment creating a Tax Reform Fund, beginning 2027, the flat rate of 4% may be reduced in the following manner:
    (1) If the amount of net general revenue collected in the previous fiscal year exceeds anticipated revenue expenditures by at least $1 million, and the minimum balance in the Tax Reform Fund is at least $120 million at the close of the fiscal year, the amount of the reduction will be calculated as follows:
        (a) For the first $120 million in the Fund: 1/10 of 1%;
        (b) For each additional $60 million in the Fund: 1/20 of 1%
- All reductions to the 4% flat tax rate will take effect on January 1st of the immediately succeeding calendar year, and the reduction will continue in effect until the next reduction occurs

MoASBO Board-Legislative Committee Update

- This bill also repeals all previous triggered rate reductions in statute related to personal income tax
- Beginning January 1, 2026, there will be no tax on income of less than or equal to $1,000
- Beginning January 1, 2026, there will be no federal income tax deduction for any individual or corporate taxpayers

House Government Efficiency Committee

HB341 (Keathley) - Changes provisions governing school superintendent salaries

- This is a superintendent/administrator pay cut bill
- This bill defines "administrative staff" and "total compensation" and requires that for the 2026-27 school year, at least 88% of the total compensation expended on teachers and administrative staff by a district, be expended on teachers
- For the 2027-28 school year and thereafter, the percentage of teacher compensation comprising the total compensation must increase by 1% until it is at least 95%
- Example: If a district where to spend $1 million for total compensation (salaries and benefits), then $950,000 would have to be spent on teachers and only $50,000 could be spent on administration salary and benefits

HB119 (Murphy) - Modifies provisions relating to tax levies by political subdivisions

- This bill requires that the election authority for a political subdivision or special district label taxation-related ballot measures numerically or alphabetically in the order in which they are submitted to the voters; ballot measures will not be labeled in any other descriptive manner
  - Election authorities may coordinate with each other, or with the Secretary of State, to maintain a database to facilitate numeric or alphabetic assignment
- The bill requires that any ballot measure that seeks approval to add, change, or modify a tax on real property use language to express the effect of the proposed change in terms of real dollars owed per $100,000 of a property's market valuation
- This bill requires that if voters in a political subdivision approve a levy increase prior to the expiration of a previously approved temporary levy increase, the new tax rate ceiling will remain in effect only until the temporary levy increase expires under the terms originally approved by voters
  - At that time, the tax rate ceiling will be decreased by the amount of the temporary levy increase unless voters of the political subdivision are asked to approve an additional permanent increase and such increase is approved
- The bill requires that when voters in a political subdivision pass a tax rate increase, the political subdivision shall use the current tax rate ceiling and the increase approved by the voters in establishing the rates of levy for the tax year immediately following the election
- If the assessed valuation of real property in a political subdivision sees a reduction in value in the tax year immediately following the election, the political subdivision may raise its tax rates so that the revenue received from the local real property tax rates equals the amount the political subdivision would have received from the increased rates of levy had there been no reduction in the assessed valuation of real property in the political subdivision
- In the event of an increased tax rate ceiling, such rate shall be revenue neutral as required in Article X, Section 22 of the Constitution of Missouri

House Transportation Committee

HB296 (Kalberloh) - Modifies provisions relating to school bus endorsements

- Currently, for persons 70 years and older who have school bus endorsements on their drivers license, the license is issued or renewed for only one year at a time, the renewal fee is waived, the school bus portion of the drivers license examination must be taken annually, and a commercial drivers license with a school bus endorsement must be issued annually
- This bill changes the age for these specific provisions to age 75 or over.

MoASBO Board-Legislative Committee Update

HB438 (Busick) - Modifies provisions relating to school bus endorsements

- Currently, for persons 70 years and older who have school bus endorsements on their drivers license, the license is issued or renewed for only one year at a time, the renewal fee is waived, the school bus portion of the drivers license examination must be taken annually, and a commercial drivers license with a school bus endorsement must be issued annually
- This bill changes the age for these specific provisions to age 77 or over.

Other Bills

HB607 (Lewis) - Changes teacher salary provisions and the "Teacher Baseline Salary Grant program"

- This bill also includes a provision for forgiveness of 169 days for snow or natural disaster
- Bill is slated to be voted out of committee this week

SB182 (Crawford) - Modifies provisions relating to elections

- Under current law, the period for filing a declaration of candidacy in certain political subdivisions and special districts is from 8:00 a.m. on the 17th Tuesday prior to the election until 5:00 p.m. on the 14th Tuesday prior to the election
- This act changes that period to 8:00 a.m. on the 16th Tuesday prior to the election until 5:00 p.m. on the 13th Tuesday prior to the election, unless the 13th Tuesday prior to an election falls on a holiday, then the closing of filing shall be at 5:00 p.m. on the next day that is not a holiday
-

HB208 (Hinman) - Modifies the deadline for filing declaration of candidacy

- Currently, the filing time for declarations of candidacy for offices in political subdivisions or special districts not otherwise specified in law or charter is from the 17th Tuesday prior to the election through the 14th Tuesday prior to the election
- This bill moves the filing time by one week, from the 16th Tuesday prior to the election to the 13th Tuesday prior to the election
- The bill also provides that if the 13th Tuesday prior to the election is a State or Federal holiday, the closing filing date shall be the next day that is not a State or Federal holiday

MoASBO Board-Legislative Committee Update

February 3, 2025

State of the State Address

- Gov. Kehoe gave his State of the State on January 28 at 3 pm
  - The speech was a stark contrast on education issues from Gov. Parson's last State of the State address
  - The speech contained both policy positions and budgetary proposals
  - The Governor called for expansion of school choice and specifically mentioned that open enrollment as a measure that he wants to see passed in this legislative session
  - The Governor gave strong support for the State voucher tax credit program, calling for $50 million deposit of State revenue into the tax credit program (also known as the Education Savings Account program)
    - A strict voucher program is a violation of the Missouri State Constitution, which prohibits direct appropriation from State coffers to private schools
    - The current program uses tax credits instead, as these funds are directed to another entity by taxpayers and are therefore not considered State funds
  - If the Governor's proposed appropriation was enacted, it would constitute a voucher, not a tax credit program
  - The Governor expressed support for charter schools, and proposed $7 million in funding for capital improvement needs at charter schools
  - The Governor called for a $200 million increase in funding for the State's Foundation Formula
    - This amount would not fully fund the formula; that would require a $500 million increase
    - Under full funding, the SAT would increase from $6,760 to $7,145
    - This would require $300 million more than the Governor has proposed
  - $200 million would only allow for flat funding of the SAT, but would provide funds to address provisions of SB727, which was passed last session

- The Governor stated the following about K-12 education in his speech:
  - "While we are committed to making good on the funding commitments passed by the legislature last year, this budget does not include the additional $300 million liability that was imposed by an administrative body.
  - I want to be clear that I am a proud supporter of education in all its forms—public schools, private schools, charter schools—as long Missouri's children are getting a quality education. Throwing more money at the problem is not the solution. We have invested over $4 billion in K-12 education and we still aren't seeing acceptable results across the state.
  - The Foundation Formula in its current form has gotten out of control. With funding requirements this body has implemented as well as changing educational needs across the state, we no longer feel the formula, as currently written, appropriately allocates funding for public education. We must find a solution that does a better job of incentivizing performance and managing unrealistic annual adjustments.
  - The current formula was written twenty years ago.
  - Since its inception, funding for the Foundation Formula has increased by nearly $2 billion while enrollment has declined by nearly 30,000 students.
  - That is why today we are announcing that we have issued an additional executive order establishing the School Funding Modernization Task Force to recommend changes to better serve students and families.
  - We know that rewriting the Formula is a monumental task. It's about looking decades ahead, and not just the current needs of school districts. I urge those involved to keep that in mind so we can solve this problem for future generations of children.

MoASBO Board-Legislative Committee Update

- We must modernize the way we fund education, while recognizing high performing schools and ensuring lower performing schools have a plan to do better.
- We are also committed to ensuring we have the best qualified people in place to lead Missouri public and charter education. Former Missouri State Senator and current Commissioner Karla Eslinger is a fantastic start and I have committed to meeting regularly with the Commissioner and legislative leadership to move our vision of increased accountability for school performance and student outcomes forward.
- But I want to be clear, this administration will not retain or appoint members of the State Board of Education who do not align with our vision."

Formula Discussion – Jason Hoffman Presentation

History of the Formula

- The "old" formula included various revenue streams in addition to the amount under the 5311 revenue code
- These additional revenue streams were incorporated into the "new" formula and are now reflected in the 5311 revenue code
- In FY2006, the last year in which districts were funded under the old formula, the State provided $1.8 billion in funding in the 5311 revenue code line item
  - In total, including the additional revenue streams, the State provided $2.5 billion in funding in FY2006, including the 5311 revenue code and the other various revenue streams

		FY2006	FY2007
5311	Basic Formula	$ 1,811,743,967	$ 2,312,953,475
5313	Exceptional Pupil Aid	150,713,667	-
5315	Remedial Reading	16,582,778	-
5316	Gifted	24,806,750	-
5318	Free & Reduced Lumch	387,361,722	-
5319	Classroom Trust Fund	-	294,037,080
5331	Textbook	82,351,771	-
5334	Fair Share	23,113,462	-
		$ 2,496,674,117	**$ 2,606,990,555**

- The State is providing a total of $3.8 billion in Formula funding this year
  - This amount should be at $4.1 billion, if the FY2006 funding was adjusted for inflation over the intervening 20 years
- If the Formula was fully funded next year – that is, the Formula received the full $500 million increase that would allow the SAT to increase to $7,145, then the total funding under the Formula would match the inflationary growth for the first time since the inception of the Formula 20 years ago
- The SAT is the driver of what is required to adequately educate a student in Missouri
- The SAT was $6,117 when the new formula was first adopted and grew to $6,375 through the end of last year
  - This is a total increase of 4.2% over an 18-year period
- When the SAT is flat, districts do not receive any new revenue
- Built into the total Formula funding number is approximately $150 to $200 million for charter schools, not traditional k-12 schools, that was added by the General Assembly in FY2023 and FY2024
- The data doesn't support the Governor's assertion that the Formula is out of control
  - If the required funding to fully fund the Formula is provided for next year, it would be the first time in the history of the current Formula that we would be keeping up with inflation

MoASBO Board-Legislative Committee Update

Adjustment from "straight" WADA to 90% WADA/10% Weighted Average Membership (WAM)

- In the Formula for next fiscal year (FY26), the change from straight WADA to 90% WADA/10% WAM will increase the number of students
  - This mix between WADA and WAM will continue to change each year until it reaches 50% WADA/50% WAM
- When the WADA/WAM calculation results in a higher student county, there is a greater call on funding for the Formula
  - IF the General Assembly fully funds the Formula each year, the WADA/WAM change should not negatively impact funding for districts
- This is not the same for Prop C
- When the change from straight WADA to 90% WADA/10% WAM goes into effect, the denominator in the ADA calculation will grow
- If the pot of money is the same but the number of students increases, districts will get less money per pupil but will be paid for more pupils
- Theoretically, this should essentially be a wash
- However, not everyone will be treated the same
- Statewide ADA was 768,029 last year
- If we were distributing Prop C this year based on the 90% WADA/10% WAM model, the total denominator would grow by 0.92% (the State average)
- The Prop C funding requested for next year is the same as this year
- But not every district's WAM is going to be 0.92% higher than their ADA
  - ADA is attendance driven
  - If a district has an attendance rate that is higher than the statewide average, then the spread between its attendance and membership is going to be smaller than a district with a lower attendance rate

Example
District 1 has a 0.57% increase in WAM
District 2 has a 1.40% increase in WAM
The average WADA/WAM growth is 0.92%
Assume appropriation for Prop C remains flat
Prop C payment would decrease from $1,475 to $1,461
District 1 would see a **decrease** in Prop C funding of $35,000
District 2 would see an **increase** in Prop C funding of $46,000

- Increasing pupil counts is not necessarily a bad thing, but if there is no new money, then there will be winners and losers as we move from WADA to WADA/WAM
- A $300 million increase in Formula funding is needed to ensure that districts would not lose funding because of the change from WADA to WADA/WAM

Takeaways
- Formula funding has increased approximately $1.3 billion over the last 20 years
- The State needs to provide $300 million in additional Formula funding next year to avoid winners and losers as we move to 90 WADA/10 WAM formula
  - This is $100 million more than the Governor included in this budget proposal
- If we got the full $500 million, that would catch us up to inflationary growth over the last two decades
  - We are currently still behind inflationary growth
- Educational services delivered by districts today are very different today than those provided 20 years ago

MoASBO Board-Legislative Committee Update

Budget Summary (Governor's Recommendation)

- -$200 million increase to the state's foundation formula
  - This amount would essentially "flat fund" the current state adequacy target of $6,760
  - Most of the $200 million increase would pay for provisions from SB 727 that expanded funding in the formula last year
- $33.4 million to fund minimum teacher salary grants
  - This is estimated to be sufficient to cover the full amount of the statutory change in minimum teacher salaries that were made in SB 727
  - This includes both the minimum teacher salary of $40K and the $46K minimum for teachers with a Masters +10
- $50 million direct appropriation to be placed into the state's Education Savings Account Program (ESA)
  - This is in addition $75 million state tax credit already in place that is intended to help incentivize contributions to the scholarship providers
- $47 million increase for the current school year to cover the costs of SB 727
  - The major items that are contributing to this increase are the changes in the percentage of early childhood students that are eligible for funding in the formula, changes to the recalculation of local effort, and virtual education
  - This funding would be necessary to ensure that the state adequacy target remains at $6,760 for the current school year
- $20.8 million increase in funding for Early Childhood Special Education funding
  - The legislature is required to reimburse school districts for these costs as it was found to be an unfunded mandate on school districts when ECSE services were mandated by the state of Missouri
- $15.2 million increase for the school transportation categorical
  - This is consistent with DESE's budget request and equates to full funding for FY25-26 (~$376.5 million)
  - The State funds 75% of allowable transportation costs
- $15 million increase in the Small Schools Grant
  - This increase is included in the budget request for both the current school year and for the 2025-26 school year
- $15 million in one-time funding to support capital and equipment needs for career and technical education enhancement grants and an additional $5 million in ongoing funding for the grant program
- $14.7 million increase for the High Need Fund
- $7 million for the state revolving loan fund supporting charter school capital improvement needs, including $5M in additional funding

- Sen. Lincoln Hough is the Senate Appropriations Committee chair
- Sen. Hough, in the *Missouri Independent*, noted the importance of funding public education, in response to the Governor's State of the State address
- The actual funding for K-12 education will play out as budget is finalized

MoASBO Board-Legislative Committee Update

Open Enrollment (OE)

HB711 (Pollitt) – Admission of Non-Resident Pupils

- This bill was heard in House Elementary and Secondary Education Committee (HESEC)
- The hearing went well
- The bill is slated to be voted out of the HESEC on Wednesday of this week
- The bill will then move to the Rules Hearing
- Once voted out of the Rules Hearing, the bill can be placed on the calendar for debate

SB215 (Trent) - Creates, modifies, and repeals provisions relating to student transfers to non-resident districts
SB70 (Gregory) - Allows the enrollment of nonresident students in public school districts

- Both of these bills are Open Enrollment bills
- These bills are scheduled to be heard on in the Senate Education Committee on Thursday of this week
  - Senate Education Committee will meet on Tuesday and hear six bills
  - The Committee will meet again on Thursday to hear the OE bills
- OE has been a hard-fought issue each year
- This is likely to be a harder fight this year, given the Governor's support for an OE bill
- MASA's priorities specifically call for the Association to oppose OE
- Now is the time to reach out to your legislators
- A copy of a draft resolution opposing OE is provided as an attachment to these notes

Teacher Pay

- Increasing teacher pay was a priority and focus of former Gov. Mike Parson
- Last session, the General Assembly mandated that the minimum teacher salary increase to $40K beginning with the 2025-26 school year
- The minimum salary for a teacher with a Masters degree and 10 years of experience is mandated to increase to $46K
- The $46K base for Masters+10 is mandated to increase to $47K in 2026-27, and then $48K in 2027-28
- Beginning in the 2028-29 school year, both the $40K teacher salary minimum and the then $48K Masters +10 salary would increase by inflation each year, not to exceed 3% growth annually
- The General Assembly was cautioned by MASA about the financial hardship these mandates would cause for school districts if the General Assembly did not fund these mandates
- The General Assembly passed SB727 last session as drafted

- Two bills were filed this session that seek to modify the minimum teacher salary requirements of SB727
  - HB712 (Pollitt) and HB607 (Lewis)
  - The sections of the bills that deal with OE are highlighted in yellow

HB712 (Pollitt) - Modifies provisions governing student grade-level equivalence data, teacher salaries, and substitute teachers

- HB712 will be heard on Wednesday in the HESEC
- This bill defines "Grade-level equivalence", a metric developed and used by DESE to show a student's proximity to doing grade-level work, and requires DESE to establish panels to review and revise the performance-level descriptors for each academic subject and grade level
- The bill identifies and describes the performance level descriptors as: advanced, proficient, grade level, basic, and below basic, with specified characteristics for each level
- Beginning in the 2026-27 school year and in each subsequent year the school accountability report card must provide each student's grade-level equivalence as measured on the statewide assessment
- Data relating to the grade-level equivalence must be searchable on a building-by-building, school-by-school, district-by-district, and statewide level

MoASBO Board-Legislative Committee Update

- The data must display a percentage of students at grade level or above for each level, provided that no data will disclose personal identification of any student except to a student's parent (Section 160.522 RSMo.)
- The bill removes the inflationary increase for the minimum teacher salary (Section 163.172)
- This bill extends the authorization for teachers that are retired to substitute teach without a discontinuance of the teacher's retirement benefit. This authorization was set to expire in 2025 and the bill moves that to 2030 (Section 168.036)

HB607 (Lewis) - Changes teacher salary provisions and the "Teacher Baseline Salary Grant program"

- Allows inclement weather days to be counted towards a district's 169-day calendar for the purposes of gaining the additional 1% and 2% formula payment enhancements
- Delays increases to the minimum teacher salary of $40,000 until the 2029-2030 school year, then increases the minimum by inflation (capped at 3%) for five years
  - If inflation hits the 3% cap each year, the mandatory minimum salary would be $46,000 for a first-year teacher and $55,200 for teachers with a Masters degree and ten years of teaching experience
- Requires that in 2030-2031 and beyond, the minimum teacher grant provided by the state be limited to fund no more than 50% of the cost to meet the required salary thresholds unless a district utilizes 100% of classroom trust fund payments to fund the minimum teacher salary requirements
- The grant program is then sunset following the 2034-35 school year

- Districts have concerns about the minimum pay requirements
  - Some districts may be wanting to delay cost of the minimum teacher salary requirements or otherwise cap teacher pay
- It has been a priority of MASA to advocate for increase teacher and staff pay
- SB727 pays teachers more, and the General Assembly should meet its obligation to fund the mandates they approved in SB727
- Quality and fully certified teachers are vital for the State to provide its students with a high-quality education
- The General Assembly must be held accountable to fund the obligations they set when they passed SB727

- Consider what might transpire if we acquiesce to requests to cap teacher pay
- For several years, there have been bills filed that seek to cap or significantly limit superintendent or administrator pay
  - HB341 (Keathley), filed this year, seeks to rein in administrator pay and benefits
- It is paramount that we stay informed about teacher pay legislation

<u>MASA Executive Committee Feedback</u>

- There may be a temptation to buy into delay of CPI increases for teacher salaries
- The problem is not with districts but with legislators
- Districts should always be advocating for teacher pay increases
- There are concerns about what happens if baseline funding goes away
- One suggestion is to take steps now to help ensure a district does not rely too heavily on the baseline grant
- Districts should plan for what would happen if the grant went away
- Issues like OE and teacher pay should be discussed regularly with your Boards of Education
- MASA members will be on both sides of these issues
- MASA plans to follow its legislative platform and do what is best for education in the state
- MASA will always strive to do its best to represent its members

MoASBO Board-Legislative Committee Update

Committee Hearings

HB517 – (Matthiesen) – Changes the percentage of the cap on the inflationary growth factor for the assessment growth of real or personal property occurring within a political subdivision

- This bill modifies the manner in which a political subdivision may revise each tax levy to allow for inflationary assessment growth for all subclasses of real and personal property
- Currently, the inflationary growth factor for any subclass of real and personal property is limited to the actual assessment growth, exclusive of new construction and improvements, but not to exceed the consumer price index, or 5%, whichever is lower
- This bill limits the inflationary growth factor for any subclass of real or personal property to the actual assessment growth, but not to exceed the lower of the following:
    5) The Consumer Price Index; or
    6) The following percentages:
        a) For tax levy revisions before January 1, 2026, 5%; or
        b) For tax levy revisions on or after January 1, 2026, 3%

HB708 – (Oehlerking) - Authorizes provisions to allow local taxing entities to establish totaled motor vehicle personal property tax proration programs for certain taxpayers to reduce property tax bills

- Allows a tax exemption for people who have a totaled vehicle
- The bill allows tax payers to prorates the taxes over time

- This bill allows a taxing authority to establish a proration program for payments of personal property on totaled motor vehicles
- The taxing authority may award a prorated property tax credit during the tax year to reduce the total personal property tax owed on a totaled motor vehicle and claimed against the amount of personal property tax due at the end of the same tax year
- The prorated property tax credit must be prorated on a monthly basis
- The amount of the credit is determined by a ratio, where the numerator must be the number of full months from the date of disposition of the totaled motor vehicle continuing through the close of the tax year, and the denominator is 12
- The prorated property tax credit is nonrefundable but may reduce the tax liability to zero
- A taxpayer may apply for this program if:
    (1) The totaled vehicle was owned, registered, and titled under the taxpayer's name as of January 1 of the tax year in which the vehicle was totaled; or if owned by a business, the name of the business or authorized agent;
    (2) The totaled vehicle was included on the local taxing entity's tax roll, and the taxpayer was liable for personal property taxes on the totaled vehicle;
    (3) The taxpayer was up to date on all state and local taxes and fees owed on the totaled vehicle; and
    (4) The title on the totaled vehicle has been transferred to the insurance company and is no longer titled or registered to the taxpayer nor in the taxpayer's possession
- If a taxpayer who participates in this program purchases a replacement vehicle during the same tax year that the taxpayer's vehicle was totaled and he or she received a prorated property tax credit, the replacement vehicle will not be included in the tax rolls for that tax year to offset the property tax liability
- Taxation of the replacement vehicle must follow the normal assessment procedures
- A taxing entity must adopt a personal property tax proration program by way of an ordinance
- The ordinance must include the following:
    (1) Procedures and deadlines for application and participation in the program, as well as required documentation, as specified in the bill;
    (2) Procedures for verification and record keeping of the prorated property tax credit amount, as well as the amount of personal property tax to be modified;

(3) Creation of a form for use by taxpayers;
(4) Procedures for the crediting of the amount of the prorated property tax credit toward the taxpayer's personal property taxes; and
(5) Any other provision the taxing entity deems reasonable and necessary to implement and carry out the program

- The taxing entity may by ordinance establish rules and procedures for the program, and must make the information regarding the program available to the taxpayers
- A taxpayer who participates in the program will not have his or her right to protest the amount of the tax payments affected

SB42 (Mosely) - Requires the Department of Elementary and Secondary Education to ensure that safety assessments are conducted on all public schools located in St. Louis City or St. Louis County

- This bill will be heard in the enate Education Committee on Tuesday
- This act requires DESE to ensure that every public school and public charter school located in St. Louis City or St. Louis County conducts an annual safety assessment of such public school or public charter school
- The Department of Public Safety (DPS), local law enforcement, and local emergency services shall provide reasonable assistance to public schools and public charter schools in order to implement the provisions of the act
- The safety assessments shall include a consideration of each school's vulnerabilities to school shootings and intruders, with specific reference to the implementation of various safety procedures, policies, and tools specified in the act.
- Each public school and public charter school that conducts an annual safety assessment pursuant to the provisions of the act shall provide a report of the findings of the safety assessment to DESE
- Based upon the findings of the safety assessments, DESE, in conjunction with DPS, shall provide to each public school and public charter school an annual report that summarizes such school's safety vulnerabilities, along with recommendations for mitigating such vulnerabilities
- Such report shall also be provided to the General Assembly
- A report created pursuant to the provisions of this act shall not be considered a public record under the Sunshine Law and shall not be available for public inspection
- This act shall become effective July 1, 2027

SB49 (Black) - Authorizes school districts and charter schools to employ or accept chaplains as volunteers
SB118 (Moon) - Authorizes school districts and charter schools to employ or accept chaplains as volunteers

- These acts authorize a public school district or public charter school to employ a chaplain or accept a chaplain as a volunteer
- A chaplain shall not be required to be a certified teacher in order to work or volunteer for a school district or charter school
- A background check shall be conducted on any chaplain prior to such chaplain's commencement of employment or volunteer service
- A school district or charter school shall not employ or accept as a volunteer any chaplain who is required to be registered as a sex offender under current law
- By March 1, 2026, each school district and charter school shall vote on whether to adopt a policy authorizing the employment or volunteer service of a chaplain pursuant to the provisions of the act

MoASBO Board-Legislative Committee Update

SB55 (Coleman) - Prohibits elementary and secondary schools and institutions of postsecondary education from being members of athletic organizations that allow students to use performance enhancing drugs

- This act provides that no public school, private school, public charter school, public school district, or public or private institution of postsecondary education shall be a member of any statewide athletic activities association or national intercollegiate athletics organization that allows students to take performance enhancing drugs
- Any public school, private school, public charter school, public school district, or public or private institution of postsecondary education that violates this act shall not receive any state aid or other revenues from the state
- The parent or guardian of any student, or any student who is over eighteen years old, who is deprived of an athletic opportunity as a result of a violation of the act shall have a cause of action for injunctive or other equitable relief as described in the act.
- The provisions of this act shall expire on August 28, 2027

- The bill appears to require that districts drug test student athletes
- Currently unsure about how broad-based this bill is
  - Do we have to test athletes before every athletic event?
- More to come after hearing

SB80 (Gregory) – Modifies provisions relating to compensation of high school athletes

- NIL update
- Current law authorizes a high school athlete to earn or attempt to earn compensation for the use of his or her name, image, likeness rights, or athletic reputation under certain conditions
- This act further provides that a high school athlete may, upon the approval of the high school administration, use various identifiers of his or her high school, including the high school's colors, logos, mascot, name, nickname, and uniforms

SB150 (Carter) - Establishes the Career-Tech Certificate Program Fund to reimburse certain students' tuition, books, and fees to certain post-secondary training programs and programs of study

- This act establishes the "Career-Tech Certificate (CTC) Program" and the "Career-Tech Certificate (CTC) Program Fund" to reimburse the costs of eligible students' tuition, books, and fees to certain approved institutions, such as two-year community colleges and technical schools, that offer training programs or eligible programs of study
- The act defines an "eligible student" as a student who meets the eligibility requirements for the A+ Schools Program under current law, provided that such student has not received reimbursement for tuition, books, or fees under the A+ Schools Program
- A "training program" is defined as a program of study that leads to a certificate or degree that does not meet the length-of-program requirements for an eligible program under federal regulations regarding federal grants and loans for postsecondary students
- Training programs include, but are not limited to, certified nurse assistant programs, certified medication technician programs, and commercial driver's license programs
- An "eligible program of study" is a program of instruction that results in the award of a certificate or credential below the graduate level in an area of occupational shortage, as determined annually by the Coordinating Board for Higher Education
- The length of an eligible program of study shall not exceed the equivalent of 60 credit hours.
- Beginning in the 2026-27 school year and in all subsequent years, the Department of Higher Education and Workforce Development shall establish a procedure to reimburse the costs of tuition, books, and fees from the CTC Program Fund to the approved institution at which an eligible student is enrolled in an eligible program of study or a training program. Tuition reimbursements shall not exceed the tuition rate charged by

a public community college for coursework offered by a two-year private vocational or technical school, virtual institution, or eligible training provider
- Tuition reimbursements shall not be provided to an eligible student who enrolls in a private school or training provider if a public community college or vocational or technical school located within a 40-mile radius of such student's domicile offers the same or a substantially similar eligible program of study or training program
- Eligibility for reimbursements under the act shall expire upon the earliest of (a) the approved institution's receipt of the reimbursement for the required length of the eligible program of study or training program, (b) a student's successful completion of an eligible program of study or training program, or (c) a student's completion of 150% of the time usually required to complete an eligible program of study or training program
- The Department of Higher Education and Workforce Development shall establish by rule procedures for the reimbursement of tuition, books, and fees to all approved institutions, provided that no rule established shall prohibit a student from qualifying for tuition reimbursement solely because such student's program of study or training program does not meet the length-of-program requirements for federal financial aid or does not participate in federal student aid programs

SB63 (Brown) - Repeals and establishes provisions relating to participation of certain students in non-traditional educational settings

- The act repeals a provision authorizing parents to submit a written declaration of intent to home school their child to the recorder of deeds of the county where the child legally resides or to the superintendent of the public school district where the child legally resides.
- The act provides that a school district shall not be a member of, or remit any funds to, a statewide activities association that prohibits a student receiving instruction at a home school or a full-time virtual school from participating in any event or activity offered by the school district in which the student resides or that requires such students to take any class at a public school in order to participate in such event or activity. The act further provides that a school district shall not prohibit such a student from participating in any event or activity offered by the school district in which such student resides or require such student to take any class in order to participate in such event or activity.
- A school district may establish an attendance policy for any rehearsals, practice sessions, or training sessions that are directly related to and required for participation in an event or activity. A school district may also require students to participate in components of instruction that are required for participation in fine arts activities, career and technical student organizations, or integrated cocurricular activities.
- A statewide activities association shall not prohibit any member school district from participating in any event with a school that is not a member of the association.
- Any school disciplinary policies and attendance policies shall be applied in the same manner to all students who participate in an event or activity. A school district shall not establish a separate disciplinary or attendance policy for students who receive instruction at a home school or a full-time virtual school.
- If a student whose academic performance or disciplinary status would preclude such student from eligibility to participate in extracurricular events or activities in the resident school district disenrolls from such school district in order to receive instruction at a home school or a full-time virtual school, such student shall not be eligible to participate in public school events or activities in the district of such student's disenrollment for twelve calendar months from the date of disenrollment.
- The parent of a home school student shall oversee any academic standards relating to such student's participation in a public school event or activity.
- Any records created pertaining to a home school student or a full-time virtual school student shall be made confidential.
- The act outlines certain criteria that home school and virtual school students shall satisfy in order to be eligible to participate in public school activities in their district of residence. Such students shall provide

proof of residency in the district in which they wish to participate in public school activities. They shall also adhere to the same behavior, responsibility, performance, and code conduct standards as do students who are enrolled in the district.

SB12 (Hough) - Authorizes income tax deductions for educators and first responders

- For all tax years beginning on or after January 1, 2025, this act authorizes a tax deduction in the amount of 100% of unreimbursed educator expenses incurred by an eligible educator, not to exceed $500.
- An eligible educator is defined as an individual who is a kindergarten through grade twelve teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year, or is a teacher in an early childhood education program.
- Educator expenses are defined as expenses incurred as a result of the participation by the educator in professional development courses related to the curriculum in which the educator provides instruction, and expenses in connection with books, supplies, computer equipment and other equipment, and supplementary materials used by the eligible educator in the classroom.

HB854 (Lewis) - Requires public school districts and charter schools to prevent student use of electronic personal communications devices during regularly scheduled instructional activities

HB306 (Steinhoff) - Requires public school districts and charter schools to prevent student use of electronic personal communications devices during regularly scheduled instructional activities

- Beginning in the 2026-27 school year school, districts and charter schools must have a policy governing the use of an electronic personal communications device in school. Policies must promote educational interests and safe working environments
- Students cannot use electronic personal communications devices during instructional activities and policies must provide disciplinary procedures and exceptions
- Districts and charter schools must publish the policy on the school website and the bill specifies liability protections for acting in accordance with the policy

HB408 (Gragg) - Prohibits student use of telecommunications devices during regularly scheduled instructional activities

- This bill will require school districts to adopt a written policy on electronic telecommunication devices beginning in the 2025-26 school year
- The requirements of the policy are specified and include prohibiting student use of cell phone and smart watches during regularly scheduled instructional activities unless authorized by the school principal
- Exceptions are provided for students with documented needs and for health purposes
- The policy also must provide guidelines and requirements for electronic telecommunication devices during noninstructional school activities, including school-sponsored field trips and during transportation

HB31 (Davidson) - Modifies provisions relating to home school protections

- This bill repeals current law that allows parents to provide a written declaration of enrollment for home school children to the county recorder of deeds
- Currently, home school and family paced education (FPE) education enforcement and records are subject to review only by the prosecuting attorney
- This bill requires the prosecuting attorney to have probable cause to review the records

MoASBO Board-Legislative Committee Update

HB341 (Keathley) - Changes provisions governing school superintendent salaries

- This bill defines “administrative staff” and “total compensation” and requires that for the 2026-27 school year, at least 88% of the total compensation expended on teachers and administrative staff by a district, be expended on teachers
- For the 2027-28 school year and thereafter, the percentage of teacher compensation comprising the total compensation must increase by 1% until it is at least 95%

Reminders

- MASA annual Budget Development Workshop next week (2/10 and 2/11)
- Jason Hoffman and Andy Turgeon, Knox Co. R-I Superintendent, will lead those sessions
- This will be a great opportunity to hear more details about these key school finance issues
- We hope you can join us in person or online to learn more

- MSBA has a public video discussing salaries and SB727
- The discussion starts at about the 9:00 mark

Salary Schedules and SB 727 - https://youtu.be/g6nliwODYck

February 3, 2025

MoASBO Board-Legislative Committee Update

January 27, 2025

State of the State

- The State of the State address is scheduled for January 28 at 3 pm
  - This is when the Governor will release his budget proposal for FY26
  - School finance will be a big deal, given the costs contained in SB727; we will need to pay attention
  - The speech will be live-streamed on Governor Kehoe's Facebook page, the State of Missouri's Facebook page, and mo.gov/live

Committee Assignments

House Elementary and Secondary Education Committee

- These are the Democratic members of the Committee:
  - Stephanie Boykin (Florissant)
  - Mark Boyko (Kirkwood)
  - Martin Jacobs (Liberty)
  - Ian Mackey (St. Louis)
  - Kem Smith (Florissant)
  - Kathy Steinhoff (Columbia)
  - Connie Steinmetz (Maryland Heights)
- 13 brand new House members on House Elementary and Secondary Education Committee

Committee Hearings

House Ways and Means Committee

HB349 (Reuter) - Modifies provisions relating to motor vehicle assessment valuations

- Currently, for vehicles less than two years older than the model year, a county assessor may use a value other than the average trade-in value without performing a physical inspection
- This bill specifies that, the true value of motor vehicles is equal to, but no higher than, the trade-in value as published in the October issue of the National Automobile Dealers' Association Official Used Car Guide
- This statutory change, if approved, would help ensure that motor vehicle values don't increase as they did in 2021 and 2022

HB660 (Keathley) - Modifies provisions relating to certain special taxing districts

- This bill specifies that if a political subdivision submits a tax proposal for a new or increased tax authorized under a specific statute and it does not pass, the proposal cannot be submitted again for two years following the rejection
- The bill allows a political subdivision to reintroduce a previously rejected tax proposal to voters before the next election cycle if the new proposal introduces a new tax authorized by law or increases the rate of existing tax authorized by law in a federal- or state-declared natural disaster area
- This bill also requires that any ballot measure proposing a tax alteration on real property must clearly state the impact of the proposed change in terms of the actual amount per $100,000 of a property's market value within the ballot language
- The bill requires that if voters are asked to approve a permanent increase to the tax rate ceiling before a temporary levy increase expires, the ballot language must clearly indicate that if the permanent increase is approved, the temporary levy will become permanent

MoASBO Board-Legislative Committee Update

- The bill defines “current tax rate ceiling” and “increased tax rate ceiling”
- When a majority of voters in a political subdivision approve a tax rate increase, the subdivision must use the current tax rate ceiling and the approved increase for the following tax year
- If the assessed valuation of real property decreases in that year, the subdivision can adjust its levy rates to ensure it receives the same revenue it would have received without the property value reduction
- The use of the increased tax rate ceiling must be revenue neutral, as mandated by the Missouri Constitution

HB816 (Reedy) - Modifies provisions relating to motor vehicle assessment valuations

- Currently, the assessor of each county uses the trade-in value published in the October issue of the National Automobile Dealers’ Association Official Used Car Guide (NADA) for determining the true value in money of motor vehicles
- Beginning January 1, 2026, this bill allows assessors to use a nationally recognized automotive trade publication such as the NADA, Kelley Blue Book, Edmunds, or other similar publication
- The State Tax Commission will select the publication to be used, and the assessors will use the trade-in value published in the current October issue of the selected publication
- The assessor cannot assess a motor vehicle for an amount greater than the motor vehicle was assessed the previous year

Note: Districts shouldn’t budget for increases in used vehicle assessed values

HJR4 (Coleman) - Proposes a constitutional amendment relating to real property tax assessments

- Upon voter approval, beginning January 1, 2027, this proposed Constitutional amendment provides that the true value of all residential real property that has been maintained by the homeowner as his or her primary residence will be deemed to be the same value determined at the most recent previous assessment of the property
- In a new assessment or reassessment of the primary residence the assessed valuation of such property may be increased, provided that the increase does not exceed the change in the Consumer Price Index or 2%, whichever is less
- The limited increase may be exceeded to reflect the value added to the property as a result of new construction or improvements

Note: This bill does not address possible conflicts with provisions of SB190

HB742 (Baker) - Prohibits state departments from spending money on diversity, equity, and inclusion initiatives

- This bill prohibits funds from any State department being used for intradepartmental programs, staffing, or other initiatives related to “diversity, equity, and inclusion” or similar initiatives that promote preferential treatment based on certain characteristics, concepts such as oppression as the sole cause of disparities, collective guilt ideologies, intersectional or divisive identity activism, and the limiting of freedom of conscience, thought, or speech
- State departments are not prohibited from following Federal and State employment and antidiscrimination laws, or complying with the Americans with Disabilities Act
- This bill prohibits State departments from mandating, requiring, or incentivizing private sector employers to implement “diversity, equity, and inclusion” programs or initiatives as a condition for receiving a State contract

Note: We don’t believe this bill’s provision impacts districts directly, only State departments

MoASBO Board-Legislative Committee Update

Senate Education Committee

- This Committee is not hearing any bills this week
- Commission Eslinger will speak to the Committee about challenges facing the State of Missouri in education

Senate Commerce Committee

SB4 (Cierpiot) - Modifies and creates new provisions relating to utilities

SB5 (Cierpiot) - Modifies and creates new provisions relating to utilities

TAX ASSESSMENT OF STATIONARY PROPERTY (Section 137.122)

- Beginning January 1, 2026, provisions relating to depreciable tangible personal property shall apply to all real property that is stationary and used for transportation or storage of liquid and gaseous products, including water, sewage, and certain natural gas
- To estimate the value of the real property under the act, each assessor shall value such property by applying a 20-year recovery period to the original cost of the property according to the 20-year depreciation schedule
- The presumption as to the proper method of determining the assessed value of such property shall apply regardless of when such property was placed in service
- Each taxpayer owning property under the act shall provide to an assessor, no later than May 1st of the applicable tax year, the original cost and year placed in service of such property, as described in the act

- Utilities indicate that only 17 counties currently follow State law
  - Underground pipes have a 100-year life cycle; counties should depreciate their value by 1% each year
  - Certain county assessors do not do this, but depreciate on an accelerated 20-year depreciation schedule
- Passage of this bill will result in less revenue for the 17 counties that depreciate 1% per year
  - We don't know how exactly many counties are impacted
  - Boone, Platte, Cape Girardeau have been mentioned
- Contact your county assessor to gauge impact
- State tax commission recently issued guidance that gas pipes should be depreciated on a 50-year cycle

Senate Progress and Development Committee

SB38 (Washington) - Creates the "Missouri Creating a Respectful and Open World for Natural Hair (Missouri CROWN) Act" to prohibit certain discriminatory practices in educational institutions

- This act creates the "Missouri Creating a Respectful and Open World for Natural Hair (Missouri CROWN) Act", which governs discriminatory practices as they relate to protective hairstyles
- Specifically, no person shall be subjected to discrimination based on the person's hair texture or protective hairstyle, if that protective hairstyle or texture is commonly associated with a particular race or origin, in any program or activity conducted by an educational institution that receives or benefits from state financial assistance, as that term is defined in the act, or that enrolls pupils who receive state student financial aid; provided, however, that such institution may require the use of hair nets or coverings or may require that hair be secured for safety purposes in any career and technical training course or class to comply with safety regulations and standards of the course or class throughout the duration of the course or class
- This provision does not apply to an educational institution that is controlled by a religious organization if the application of such provision would not be consistent with the religious tenets of that organization

MoASBO Board-Legislative Committee Update

Sen Economic Development Committee

SB87 (Nicola) - Reduces the assessment percentage for real property

- Current law assesses real property at a percentage of its true value in money as follows: 19% for residential property, 12% for agricultural property, and 32% for utility, industrial, commercial, railroad, and all other property
- This act reduces such percentages to 17%, 10%, and 30%, respectively
- Example: Residential real property assessment rate would change from 19% to 17%

Note: 2% reduction in the assessment rates results in a larger reduction in revenue

  - Residential real property: 10.5% reduction in revenue
  - Agricultural property: 17% reduction in revenue
  - Commercial property: 6.25% reduction in revenue

- If you complete a fiscal note on this bill, send a copy of your response to Scott

House Elementary and Secondary Education Committee

HB538 (Diehl) - Modifies provisions governing school transportation

- This bill expands the current background check requirements for school districts to specifically include charter schools
- The bill includes drivers of other vehicles owned by school districts and charter schools in the requirement for a background check and clarifies that for drivers employed or contracted by a pupil transportation company under contract with a school district or charter school the pupil transportation company must conduct the criminal background check

HB711 (Pollitt) - Admission of non-resident pupils

- This bill establishes transfer procedures to non-resident districts for students in public schools and establishes a public school open enrollment program
- The bill specifies that any student beginning kindergarten or already enrolled in a public school may attend a public school in a non-resident district participating in the program.
- Districts must declare participation in the open enrollment program by December 1st for the following school year
- Participating districts are not required to add teachers, staff, or classrooms to accommodate transfer applicant
- The bill includes a procedure for districts when a transferring student has special education needs
- Schools can also establish standards for transfer applications and post the information on the school website and in the student handbook
- School districts that are served by special school districts must reach an agreement with such special school district regarding finance, staffing, and other items prior to participating in the program
- DESE or an entity skilled in policy development must develop a model open enrollment transfer policy as outlined in the bill
- All public schools must adopt the model policy, regardless of participation in the Program; however, each school board can modify the model policy based on the district's needs
- Students who wish to attend non-resident schools that have an academic or competitive entrance process must furnish proof that they meet the admission requirements
- Students that participate in open enrollment in high school cannot participate in varsity sports during the first 365 days of enrollment in a non-resident district with exceptions outlined in the bill
- No transfers under this Act can begin until the school year 2026- 27
- Districts can restrict the number of outgoing transfer students to 3% of the previous school year's enrollment

MoASBO Board-Legislative Committee Update

- DESE must develop and maintain an online resource to facilitate applications and provide a searchable public database for allowable transfers

APPLYING FOR TRANSFER (Section 167.1210)

- Any student who applies for a transfer can only accept one transfer per school year, although the student can return to his or her resident district and, if so, complete a full semester before applying for another transfer
- Students can complete all remaining school years in their non-resident district and any sibling can enroll if the district has the capacity as provided by the bill
- For the purposes of determining federal and state aid the student must be counted as a resident pupil of the non-resident district, except for federal calculations of military impact aid
- Parents will be responsible for transportation to the non-resident school or to an existing bus stop location in the non-resident district
- Students who qualify for free and reduced meals can have transportation expenses reimbursed quarterly as outlined in the bill

PARENT PUBLIC SCHOOL CHOICE FUND (Sections 167.1211 and 167.1212)

- The bill creates the "Parent Public School Choice Fund," which shall consist of appropriations made by the general assembly to provide moneys for the public school open enrollment program
- The fund shall be a dedicated fund and, upon appropriation, moneys in the fund shall be used solely as provided in sections 167.1200 to 167.1230

NUMBER OF TRANSFER STUDENTS (Section 167.1215)

- The bill specifies that annually, before December 1st, each school district must set and publish the number of transfer students the district is willing to receive for the following school year
- This number does not have to be more than zero
- Districts will also develop a policy for waitlists and the department must include such waitlist online and notify an applicant if they have been waitlisted

APPLICATION PROCESS (Section 167.1220)

- The processes for a transfer application and the details for notifications of acceptance or rejection are specified within the bill
- The Department must create an online resource to receive applications which must be submitted by February 1st
- The Department will conduct a lottery of applications by February 15th and facilitate and provide notice to all applicants regarding the acceptance or rejection of each application
- The Department must be notified of all accepted students and will request an anonymous survey related to the reasons for participating in the Open Enrollment Program
- The Department will publish an annual report based on the survey results

ALLOWED EXEMPTIONS (Section 167.1225)

- This bill specifies that prior to December 1st, a school district can annually declare an exemption for the upcoming school year, from the requirements set forth in this bill, provided that the school district is subject to a desegregation order or mandate of a federal court or agency remedying the effects of past racial segregation or subject to a settlement agreement remedying the effects of past racial segregation
- The bill requires that any student who transfers from a K-eight district enroll before the start of the student's sixth grade year, or the K-eight district must pay tuition as specified under Section 167.131
- Additional exemptions are specified for students who qualify for transfers under other listed sections

MoASBO Board-Legislative Committee Update

APPEAL PROCEDURE (Section 167.1227)

- The bill determines when a student may be denied a transfer based on his or her discipline record and includes an appeal procedure

ANNUAL REPORTING (Section 167.1229)

- The Department must collect and report data annually from school districts on the number of applications and study the effects of the public school choice program transfers
- The report must be submitted annually by December 1st to the Joint Committee on Education, the House Committee on Elementary and Secondary Education, and the Senate Committee on Education

ALTERNATIVE FUNDING (Section 167.1230)

- The bill requires that enrollment of students under the program not occur before July 1, 2026
- The bill outlines what steps must be taken if the Parent Public School Choice Fund does not have sufficient funding necessary to provide for eligible reimbursements for transportation and special education expenses
- Transportation costs must be considered eligible expenses under 163.161, and special education students will be provided additional weight in the formula calculation for the non-resident district

ADDITIONAL NOTES

- The Open Enrollment (OE) program is voluntary
- Nothing precludes a student from leaving a resident to attend a receiving district, even if the resident district is not participating in OE
- An OE application can be denied by the receiving district if the student has been suspended two or more times, suspended for an act of school violence, or expelled for certain acts
  - The suspended/expelled student may be allowed to attend the non-resident district on a provisional basis if approved by the non-resident superintendent
- The bill contains an appeals process for when an OE application is denied
  - DESE, via the Commissioner of Education (or designee), has broad authority to decide to decide appeals
  - An OE application may be approved even if it violates a receiving district's policy on open enrollment and class size
- Student must attend and take all courses through the non-resident district for one school year and at least one course must be an "in seat" course
- Student may return to the resident district but must attend the resident district for at least one semester before applying for another transfer
- Funding – the non-resident district must count the non-resident student as a resident student for state aid
  - The receiving district would receive the state and federal aid for that student
- If a student qualifies for free or reduced-price meals, or has transportation as a related service on their IEP, and opts to attend an adjoining district, the adjoining non-resident district must provide transportation
  - The non-resident district may seek to have the associated transportation expenses reimbursed quarterly through the Parent Public School Choice Fund or through the transportation categorical
- If a student has an IEP and is seeking to attend a non-adjoining district, and has transportation as a related service on their IEP, the student is not eligible to attend the non-adjoining district unless the student waives their right to transportation
- Districts in the OE program are not required to accept students with disabilities if the receiving district cannot provide appropriate special education services
  - The above determination is made in consultation with the resident district and any local public, private, or not-for-profit agency that provides services for students with disabilities
- Funding for special education services provided to OE students can be reimbursed from the Parent Public School Choice Fund, or pulled from the formula

MoASBO Board-Legislative Committee Update

- If there is no money in the Parent Public School Choice Fund, then cost will be reimbursed through the formula and the transportation categorical
  - All districts would therefore end up paying for the OE program

HB371 (Pollitt) - Requires the department of elementary and secondary education to develop, use, and report student grade-level equivalence data

- This bill defines "Grade-level equivalence," a metric developed and used by DESE to show a student's proximity to doing grade-level work, and requires DESE to establish panels to review and revise the performance-level descriptors for each academic subject and grade level
- The bill identifies and describes the performance level descriptors as: advanced, proficient, grade level, basic, and below basic with specified characteristics for each level
- Beginning in the 2026-27 school year and in each subsequent year the school accountability report card must provide each student's grade-level equivalence as measured on the statewide assessment
- Data relating to the grade-level equivalence must be searchable on a building-by-building, school-by-school, district-by-district, and statewide level
- Such data must display a percentage of students at grade level or above for each level, provided that no data will disclose personal identification of any student except to a student's parent

- Hearing on the bill went well; people are interested, no negative comments
- The bill does put MAP testing classification in state statute, which is different than being determined by DESE
- Bill may have issues; DESE identified that passage of this bill would require having to reconvene content work groups to determine standards and cut scores

Other Questions

Will the $40K baseline grant funded for 2025-26 school year?

- Assumption is it will be funded
- What the Governor recommends will likely be reflected in his State of the State address
  - Document released just before or during State of State will highlight key investments in education, etc.
- MASA working on a webinar to discuss Minimum Teacher Salary Grant questions on Wednesday, February 26th at 1:30 p.m.
  - Please mark your calendars if this issue applies to you
  - More information to come in the near future

HB477 (Oehlerking) - Establishes written parental consent requirements for individualized education programs (IEPs)

- This bill requires public schools that serve students with an individualized education program (IEP) to implement parental consent procedures
- Written parental consent must be obtained and maintained for initial placement, placement changes, or other revisions to a student's IEP as specified in the bill
- If the parents and local educational agency only reach an agreement on certain IEP services or interim placement, the child's new IEP will only be implemented in the areas of agreement with the current services remaining unchanged unless the local education agency follows procedures specified in the bill which include a due process complaint and hearing
- If a child is identified as eligible for special education services, the parents have the right to visit any program proposed for their child

MoASBO Board-Legislative Committee Update

- DESE must adopt a parental consent form, as specified in the bill, that each school district will provide to parents, and districts may not proceed with implementation of a student's IEP without the parental consent form completed except as provided in the bill
- The bill has a delayed effective date of July 1, 2026

- There was a hearing on this bill last week
- Similar bills have been filed in three or four prior legislative sessions
- Parent stories were shared at the hearing that tended to portray that school administrators (e.g., special education directors) don't care about students
- Information from MO-CASE on this bill was shared as an attachment to last week's Update
- Important to share our stories of the impact this bill would have on students in our respective districts if districts have to sue in order to implement changes to an IEP

MoASBO Board-Legislative Committee Update

January 21, 2025

Updates

- The State of the State address is scheduled for January 28 at 3 pm
  - This is when the Governor will release his budget proposal for FY26
  - School finance will be a big deal, given the costs contained in SB727; we will need to pay attention
  - Check for links to the address on the official web site for the Governor:

- Mike Lodewegen will send the Legislative Bulletin on Monday morning rather than Friday afternoon

Governor's Inaugural Address

- Highlighted four priorities
  - Public safety
  - School choice
  - Cutting taxes and reducing regulations
  - Helping agriculture
- Excerpts of the Governor's address are shown below; a full copy of the address is included as an attachment to the weekly Legislative Update email

  Securing Missouri's future begins with public safety. Too many Missourians don't feel safe—and too many Missourians aren't safe. When people are afraid for their lives and for their families, they cannot be productive, and they will not prosper. Later today, as my first official act on Day One as governor, I will take our first steps in securing a safer Missouri.

  Securing Missouri's future means strengthening public education and expanding school choice so that every single student has the opportunity to get a world class education. Whether it's a four-year college or career technical education, schools that teach kids how to think—not what to think—are the key to long-term self-reliance.

  Securing Missouri's future means creating stable jobs that provide both a source of income and a sense of purpose. My administration will focus on reducing taxes and cutting regulations, so families keep more of their own money, and so job creators want to come here, expand here, and hire more hard-working Missourians.

  Finally, Securing Missouri's future means securing our agriculture economy. Just behind me, and about 350 feet up on top of this beautiful Capitol, is our state's tribute to the hard-working agriculture families and their efforts – some multi-generational, some first-generation like Claudia and me. For our state to continue to feed and clothe the world, we must get government out of their lives and let our farmers and ranchers do what they do best: work hard and continue to produce results.

  Make no mistake about it: accomplishing these goals will not be easy. We will face entrenched special interests, a fear of change, and a culture that says we should keep doing things the way we've always done them.

  But Missourians didn't send us here to do what's comfortable.

  They expect results. They deserve results. With my administration, they will get results.

  This is my promise to you: I will talk to anyone, work with anyone, and root for anyone who has a good idea to make our state safer, stronger, and better.

- We need to be ready to share good ideas
- We also should not give in on who we are, but we may need to agree to disagree

MoASBO Board-Legislative Committee Update

Committee Assignments

Senate Education Committee

- Rick Brattin (Harrisonville), Chair
- Brad Hudson (Cape Fair), Vice Chair
- David Gregory (Chester)
- Mike Henderson (Bonne Terre)
- Maggie Nurrenbern (Kansas City)
- Nick Schroer (O'Fallon)
- Stephen Webber (Columbia)
    - 5 Republicans, 2 Democrats
    - Based on % of parties in Chamber

House Elementary and Secondary Education Committee

- Ed Lewis (Moberly), Chair
- Brad Banderman (St. Clair), Vice Chair
- Ben Baker (Neosho)
- Tricia Byrnes (Wentzville)
- Jamie Gragg (Ozark)
- John Hewkin (Cuba)
- Josh Hulbert (Smithville)
- Ann Kelley (Lamar)
- Becky Laubinger (Park Hills)
- Cathy Jo Loy (Carthage)
- John Martin (Columbia)
- Mark Meirath (Excelsior Springs)
- Matthew Overcast (Ava)
- Brad Pollitt (Sedalia)
- Melissa Schmidt (Eldridge)
- Cecelie Williams (Dittmer)
    - No democrats named yet; will be named soon

- Large number of freshmen Republicans on this committee
- 53 freshmen House members
- Reach out to new House members; establish a working relationship

Hearings

- No House hearings on bills scheduled yet
- 3 bills in the House Education Committee

HB711 (Pollitt) - Open Enrollment

- Similar to what has been filed in the past
- Likely heard next week in committee

MoASBO Board-Legislative Committee Update

HB477 (Oehlerking) - SpEd Parental Consent

- Similar bills have been filed in several prior legislative sessions
- Written parental consent must be obtained and maintained for initial placement, placement changes, removal of services, and reduction or addition of service minutes by more than 25%
  - Violent student moved out of a classroom is a change of placement
- IEP can only be implemented in the areas of agreement
  - This means there may be multiple IEPs
- To implement IEP without parental consent, district has to file due process suit to move forward with IEP recommendations
- DESE has to adopt parental consent form and district has to provide to all parents
- Parents have total veto authority over IEP team
- In cases of disagreement, IEP team decision is stayed until completion of hearing
- Discuss with SpEd directors; get feedback

- The House Elementary and Secondary Education Committee posted a hearing for 11am on January 21, 2025
- HB 477 requires parental consent of any change to a student IEP
- Information was compiled by MOCASE regarding last year's SpEd Parental Consent Bill (see attachment)
- The information does a nice job of discussing the topic and contains very good information available for possible fiscal impacts that could be extrapolated out for the creation of testimony or responses to fiscal notes
- The link to submit written testimony is here: https://witness.house.mo.gov/Default.aspx?noticeid=9112

- We currently have four classifications: advanced, proficient, basic, below basic
- This bill would add a fifth classification for testing: grade level
- The addition of the fifth category will make test results more reflective of how students are actually performing

Senate Hearings

SB10 (Hough) – Design/Build Authority

- Bill is in the Local Governments Committee
- Bill that allowed school districts to use design/build was passed in 2016 with a 10-year sunset
- Folks like design/build; don't want it to go away
- This act repeals the September 1, 2026, sunset date on the authority for political subdivisions to use the design-build method of constructing buildings and facilities, and makes technical corrections to the underlying statute
- Sen. Hough wants design/build to stay in perpetuity

SB46 (Trent) – Capital Gains Taxes

- Bill is in Senate General Laws Committee
- This is a tax cut bill
- Bill provides that for all tax years beginning on or after January 1, 2025, individuals may take an income tax deduction for 100% of all income reported as a capital gains on federal return
- Fiscal note has negative impact on State general revenue of $232 million to $334 million per year

MoASBO Board-Legislative Committee Update

Hearing Schedule

- House Elementary and Secondary Education Committee hearings will be held on Wednesday afternoons this session
  - Hearings will start 10 minutes after adjournment
  - This makes it hard to know exactly when the hearings will start; makes it difficult for testimony
- Hearings used to be held on Tuesday or Wednesday mornings
  - This allowed for a dedicated start and stop time

- Senate will conduct hearings Tuesdays from 8 am to 10 am
  - This allows for a dedicated start and end time

Fiscal Notes

- It would be impossible to respond to all fiscal note requests because of the volume of requests
- Focus on bills that are discussed in Monday MASA meetings and Legislative Bulletin
- Make your best effort; it is better to respond than to be 100% accurate
- Example:
  - Voucher bill fiscal note request
  - District receives $5,000 in state aid per student
  - Provide a range of cost impact, based on losing $5,000 for every student who leaves the district
- Spend time on fiscal notes early on rather than later in the session
- Due by dates – even if you miss the deadline, still submit a fiscal note
- Fiscal Note office will take all information submitted and incorporate the information whenever there is a change in a bill

Federal Legislation

- The White House and Congress are looking for ways to pay for extending expiring tax cuts under the 2017 Tax Cuts & Jobs Act (passed under President Trump's first term) and carrying out a whole lot of other tax, immigration, defense, and energy policy priorities
- They plan to do this via a process called budget reconciliation, which can bypass a Senate filibuster and only needs a simple majority to pass
- Last week, a list of potential "pay-fors" that the House Ways & Means Committee are considering was leaked
- One of the items on that is on that list is removing tax exemption for state and local bonds
  - Elimination of the tax deduction would generate $250B over ten years
- A final package is not likely to be ready until May at the earliest
- ASBO International and the Public Finance Network (PFN) coalition, led by the Government Finance Officers Association (GFOA), and we are working together to advocate for preserving tax exempt municipal bonds
- ASBO has also been working with GFOA to finalize a new primer on bonds and collecting stories from towns, cities, municipalities, and school districts to show how bonds have helped finance critical infrastructure projects across the country
- ASBO encourages anyone who is interested in advocating on this issue to submit their story about a bond project their district has carried out to GFOA's website, which will populate into a map for lawmakers to see the positive impact of tax exempt municipal bonds
- ASBO also encourages folks to contact their lawmakers to explain why this financing option is so critical to schools and to share what tax-exempt bonds have done for their representative's district or senator's state

MoASBO Board-Legislative Committee Update

January 13, 2025

Leadership Changes

- New governor, Lt. Governor, Secretary of State; re-elected Attorney General and State Treasurer
- 54 new House members
  - 1/3 of House is new; have never been a legislator previously
- 10 new Senators
- This change poses a great opportunity, as many legislators don't know about education policy and who to ask about education policy
- Introduce yourself to new legislators so we can be the voice of education to legislators

2025 Session

- Legislative session began on January 8
- John Patterson elected as House Speaker
  - Public education was not mentioned in Rep. Patterson's speech
  - First time since 2020 session that there was no call for education bill to be first passed out of the House
- Cindy O'Laughlin elected as Senate President Pro Tem
  - O'Laughlin's address included call for expanded access to quality education (i.e., school choice) and reading proficiency
- Today is first real day of the 2025 session; session ends on May 16
  - 124 days to end of session; 69 session days
  - Shortest session possible pursuant to Constitution
  - Last year was the longest session possible

Bill Filing

- Began on December 2; will continue until March 1
- 1,491 bills filed to date
  - MASA tracking 428 bills (about 30%) that have a direct or indirect impact on public education
- Expect about 2,400 bills to be filed; MASA will be tracking about 700

- Mike Kehoe to be sworn in as Governor today, as well as other State office holders
- State of the State address on January 28 at 3 pm
- Budget will be presented in the State of State address
- MASA will provide link to State of the State

Weekly Zoom Calls

- Weekly calls every Monday except for holidays
- Kelly sent out dates in December
- Zoom calls at 8:30 and 11 am
- Meetings planned to last 30 minutes

- Legislative Bulletin now sent on Monday instead of Friday

MoASBO Board-Legislative Committee Update

What will happen this session?

- Expect disfunction; however, things may run more smoothly this year
  - Some Senators who ground the session to a halt last year were term limited
- If the session runs more smoothly, there is more opportunity for legislation to be passed

Hot Topics

- Attempts to modify what was voted on in November
  - Abortion
  - Minimum wage increase and mandatory sick leave provisions
  - State control of St. Louis police department
- Expect filibuster and posturing on these topics

Themes in Bill Filing

<u>FY26 Budget</u>

- Increased call of $497.3 million on Formula
  - $300 million for SAT increase
    - SAT increasing from $6,760 to $7,145
  - Change in SAT due to change in performance districts under MSIP 6; there are now fewer performance districts
- $197 million for SB727 provisions
  - 5-day school week incentives
  - WADA revision 50/50 membership/attendance formula
    - 2025-26 is the first year of phase in, with 90% attendance, 10% enrollment
  - Local effort recalculation
  - Pre-K increase from 4% to 8%

- DESE requested additional $15 million for small schools grant, bringing total to $30 million
- DESE also requested $15 million in increased funding for small schools grant in the supplemental budget for this fiscal year
- Supplemental budget won't be passed until March or April; hopeful this will pass

- DESE requested full funding of transportation categorical
- Total transportation categorical funding of $376.5 million; $15.2 million increase for FY26

- DESE requested an additional appropriation of $5.7 million for minimum teacher salary grant program with $40k base

- Uncertainty regarding State revenue moving forward
- Funding will be discussed a lot in our Zooms

<u>Individual Income Tax</u>

- Large number of bills filed (20+) containing provisions for phased-in cuts to or total elimination of the individual income tax
- Gov-elect Kehoe made this a top priority in his election campaign
- Individual income tax makes up 70% of State's general revenue

MoASBO Board-Legislative Committee Update

- Individual income tax revenue is a primary source of State aid for public education
- Reduction or elimination of individual income tax would have drastic consequences for public education

- Top individual income tax rate was 6% in2014
- Tax cuts were passed in 2014, 2018 and 2022
- Individual income tax rate is 4.7% currently
- There has been a 22% reduction in individual income tax rates since 2014
- Individual income tax rate can fall to no lower than 4.5% under current statutes if certain revenue increases are met
  - Meeting revenue targets can trigger 0.1% reductions in individual income tax rate
  - We don't know which of the income tax bills will be the vehicle for any legislative changes this session
  - Legislators are "auditioning" to carry the legislation
  - Legislators have until March 1 to file legislation, so "the" bill may not even be filed yet

- 7 bills seek to phase out income tax
  - Move from 4.7% to 4.0% by January 1, 2026
    - 0.7% reduction in tax rate would equate to ~$850 million reduction in State general revenue
- There is an approximate $120 million reduction in State general revenue for every 0.1% cut in the individual income tax rate
  - Each 0.1% reduction becomes greater share of general revenue as you continue to decrease the tax rate
- Under bills filed, for every year in which there is a $120 million growth in revenue, there would be another 0.1% reduction in the individual income tax rate
- Example: if revenue target is met, then individual income tax rate would change from 4.0% to 3.9%
  - This would continue as long as we see $120 million revenue growth in a fiscal year

SB146 (Coleman)
- Bill would do away with income tax altogether
- This is not likely to pass

<u>Personal Property Tax Legislation</u>
- Bills filed to cut personal property tax
- Don't know which ones will move right now
- Bills seek to lower the rate at which personal property is taxed from 33.3% to 31% (same as was proposed last year) or 30%
  - A reduction from 33.3% to 31% = 2.3% cut in rate but a 7% cut in revenue
- Other bills seek to prevent growth in personal property values/revenue
- Bills also seek to put vehicles on an accelerated depreciation schedule
  - 10-year schedule (similar to what was proposed last year)
  - 25-year schedule; this would better than a 10-year schedule
  - 25-year depreciation schedule is likely a starting point for negotiations

MoASBO Board-Legislative Committee Update

- Some bills seek to eliminate personal property over the life span of growth in real property
  - If a district realizes $1 million in real property growth, then it would have to cut personal property by $1 million so districts would be revenue neutral
  - This would continue until personal property was phased out altogether
- Other bills would immediately eliminate personal property taxes altogether

- Personal property in 2023 accounted for $1.9 billion in revenue
- Of that total, districts received approximately $1.2 billion for public education

Real Property Tax Cuts

- Bills seek to freeze assessments at most recent assessment or purchase price
- No growth until sale of home

School Choice

- Open Enrollment is back (HB711)
- There are a few changes from last year
  - More authority in DESE to enact changes
  - Parents make request for open enrollment to DESE; DESE notifies districts of request
  - $80 million fund to cover costs that was included in last year's bill is not in this year's bill
  - It would be dependent on the General Assembly to appropriate

Charter School Expansion

- Expansion to Boone County was included in SB727, passed last year
- Current bills seek to expand charter schools to any charter county (Clay, Jackson, Jefferson, St. Charles, St. Louis), or any municipality with a population of 30,000 or more (Cape Girardeau, Columbia, Jefferson City, Joplin, Springfield, St. Joseph)
- Other bills seek to expand charter school only in St. Louis County

Special Education

- Five bills filed in total
- IEP parental consent – 2 bills filed (HB477 and HB656)
  - Districts must implement parental consent procedures
  - Written parental consent must be obtained and maintained for initial placement, placement changes, or other revisions to a student's IEP as specified in the bill
  - If the parents and local educational agency only reach an agreement on certain IEP services or interim placement, the child's new IEP will only be implemented in the areas of agreement with the current services remaining unchanged unless the local education agency follows procedures specified in the bill which include a due process complaint and hearing
  - If a child is identified as eligible for special education services, the parents have the right to visit any program proposed for their child
  - DESE must adopt a parental consent form, as specified in the bill, that each school district will provide to parents, and districts may not proceed with implementation of a student's IEP without the parental consent form completed except as provided in the bill
- Review these bills with SpEd directors

MoASBO Board-Legislative Committee Update

Voucher and Voucher Tax Credits

- Voucher program was just expanded under SB727
- Bills seek to expand the voucher program again or create a second new voucher program
- Efforts to expand voucher are not going to stop; there will be continued efforts to expand vouchers

Safety Legislation

- 13 bills filed
  - Anti-bullying
  - Window film
  - Protection officers

Other Items

- Proposed changes to SB727 related to calendar provisions
  - HB368 (Banderman)
  - SB364 (Ben Brown)
- Allows inclement weather days to count towards 169 days for purpose of funding incentive

- HB607 was filed by Rep. Lewis, chair of education appropriations committee
  - Allows inclement weather days to be counted towards a district's 169-day calendar for the purposes of gaining the additional 1% and 2% formula payment enhancements
  - Delays increases to the minimum teacher salary of $40,000 until the 2029-2030 school year, then increases the minimum by inflation (capped at 3%) for five years
    - If inflation hits the 3% cap each year, the mandatory minimum salary would be $46,000 for a first-year teacher and $55,200 for teachers with a Masters degree and ten years of teaching experience
  - Requires that in 2030-2031 and beyond, the minimum teacher grant provided by the state be limited to fund no more than 50% of the cost to meet the required salary thresholds unless a district utilizes 100% of classroom trust fund payments to fund the minimum teacher salary requirements
  - The grant program is then sunset following the 2034-35 school year

- Know what is being discussed so you can inform board, community, speak with legislators

State Revenue Update

- December revenues rebound; State on track to meet Projections for FY2025
- The Office of Budget and Planning reported a 19% increase in net general revenue collections for December 2024 compared to December 2023, rising from $1.09 billion to $1.30 billion
- Fiscal year-to-date collections also saw a slight 0.1% increase, from $6.13 billion to $6.14 billion
- While revenues appear to be stabilizing, budget constraints are expected to remain tight through the rest of this fiscal year, but these numbers offer optimism that withholdings can be avoided

- MASA School finance workshop in February (Feb 10-11)
  - SB727 covered

- MASA plans to host a webinar on minimum teacher salary in early February

MoASBO Board-Legislative Committee Update

Bill Summaries

SB215 (Trent) - Creates, modifies, and repeals provisions relating to student transfers to non-resident districts

- Current law authorizes students who reside in an unaccredited school district to transfer to an accredited school district in the same or an adjoining county under certain conditions; this act repeals and modifies provisions limiting these transfers to students in unaccredited school districts
- Under the act, any student may transfer to another public school, including transfers from a student's district of residence, or "sending district", to a public school in a nonresident district, or "receiving district", beginning in the 2026-27 school year and in all subsequent school years
- The school board of each school district shall determine the district's capacity to accept student transfers in each grade level and in each school in the district
- Each school board shall provide this information to DESE beginning on July 15, 2026, and by the first day of each month thereafter
- DESE shall publish and update the capacity of each district's grade levels and schools on its website
- Parents of students who wish to transfer shall notify DESE by August 1, 2026, and by the first day of each month thereafter, and DESE shall assign students to a receiving district or charter school as provided in the act
- A receiving district shall accept all students who apply and are assigned to the district, so long as there is capacity for each student
- School board policies shall not discriminate against any transfer student on the basis of his or her residential address, academic performance, athletic ability, disability, race, ethnicity, sex, or free and reduced price lunch status
- The act repeals provisions that require sending districts to make tuition payments to receiving districts
- Instead, for purposes of calculating state and federal aid, each transfer student shall be counted as a resident of the receiving district in which the student is enrolled
- Tuition shall not be charged to any student or to his or her parent or legal guardian
- DESE shall designate at least one receiving district or charter school to which each sending district shall provide transportation
- A sending district shall be required to provide transportation only to the school district or charter school designated by DESE
- If the costs associated with providing special education services to students with disabilities exceed the tuition amount established in the act, the sending district shall remain responsible for paying the excess cost to the receiving district
- If the receiving district is part of a special school district, the sending district shall contract with the special school district for the entirety of the costs to provide special education and related services, excluding transportation
- The special school district may contract with a sending district for transportation, or the sending district may provide transportation on its own
- The act outlines school districts' responsibilities for the provision of special education and related services to students with disabilities
- A special school district shall continue to provide special education and related services, excluding transportation, to students with disabilities who transfer to another school within the special school district
- If the sending district is a metropolitan school district, it shall remain responsible for providing special education and related services, including transportation, to students with disabilities who transfer to a receiving district

MoASBO Board-Legislative Committee Update

- A special school district in an adjoining county to a metropolitan school district may contract with the metropolitan school district for the reimbursement of special education and related services provided by the special school district for transfer students
- A receiving district that is not part of a special school district shall not be responsible for providing transportation to transfer students, regardless of whether transportation is identified as a related service within a student's individualized education program
- A sending district may contract with a receiving district that is not part of a special school district for transportation of students with disabilities
- A seven-director or urban school district may contract with a receiving district that is not part of a special school district in the same or an adjoining county for the reimbursement of special education and related services provided by the receiving district

MoASBO Board-Legislative Committee Update

SB70 (Gregory) - This act establishes the "Public School Open Enrollment Act" to enable students to transfer from their district of residence ("resident district") to a nonresident district.

MAGNET SCHOOLS (Section 163.161)

Under this act, any school district that operates magnet schools as part of a master desegregation settlement agreement shall not be considered inefficient for purposes of state aid for transportation of pupils attending such magnet schools and shall not receive a financial penalty for the magnet school transportation portion of the overall transportation budget.

TRANSFER POLICY AND PARTICIPATION (Section 167.1205)

On or before October 1st of each year, each school district and charter school shall indicate whether it will participate in the open enrollment program during the subsequent school year. Participating districts and schools may accept transferring nonresident students from any other school district. For the 2026-27 and 2027-28 school years, a district may restrict the number of students who may transfer away from the school district to a maximum of 5% of the district's enrollment for the prior year. The act shall not be construed to require any school to add teachers, staff, or classrooms.

The Department of Elementary and Secondary Education shall develop a model policy to assist school districts and charter schools in determining the number of transfers available and establishing specific standards for acceptance and rejection of transfer applications. The model policy shall be adopted by all school districts and charter schools, whether or not they participate in the program, and may be modified to meet each school district's or charter school's particular needs. The model policy shall require each school district or charter school to define "insufficient classroom space" and may provide additional standards for evaluating transfer applications.

Nonresident districts shall accept credits toward graduation from other school districts and shall award a diploma to any transferring student who meets the nonresident district's graduation requirements.

Superintendents shall cause information regarding the open enrollment program to be posted on the school district's or charter school's website and in the school district's or charter school's student handbook.

A student seeking to transfer to a magnet school, an academically selective school, or a school with a competitive entrance process shall submit proof that the student meets all admission requirements.

A student may be denied transfer if, in the most recent school year, he or she has been suspended from school two or more times, was suspended for an act of school violence, or was expelled for acts that school administrators are required to report to law enforcement under current law. Such a student may alternatively be permitted to transfer on a provisional, probationary basis subject to no further disruptive behavior based on standards that shall be developed by the nonresident district. Students denied transfer shall have the right to an in-person meeting with the nonresident district's superintendent.

A 9th to 12th grade transfer student shall be ineligible to participate in varsity sports during the first 365 days of such student's enrollment in a nonresident district, unless the student meets certain conditions as provided in the act. A statewide activities association may provide additional penalties if the student was unduly influenced to transfer for reasons related to participation in sports.

APPLYING FOR TRANSFER (Section 167.1210)

Students may transfer into only one nonresident district per school year. Transferring students shall commit to attending and taking all courses through the nonresident district for at least one school year, and at least one

such course shall be in-seat. Students who transfer back to their resident districts shall reapply in order to transfer back into a nonresident district and shall first remain in the resident district for at least one full semester.

A sibling of a transferring student may also enroll in the same nonresident district to which his or her sibling transfers, subject to limitations based on school capacity and the student's disciplinary record.

Except for students who qualify for reimbursement of transportation costs as described in the act and for agreements allowing such students to be picked up at an existing bus stop, transferring students or their parents shall be responsible for transportation to and from nonresident districts. By agreement with a nonresident district, parents of transferring students may waive requirements for such a district to provide transportation required under the student's individualized education program.

Any student who qualifies for free and reduced price lunch and transfers to an a nonresident district sharing a border with the student's resident district shall be reimbursed quarterly by the Parent Public School Choice Fund established in this act, based on calculations described in the act.

PARENT PUBLIC SCHOOL CHOICE FUNDS (Sections 167.1211 and 167.1212)
Nonresident districts shall receive reimbursement for the costs of certain special educational services for transferring students. Such reimbursement shall not exceed three times the district's current expenditure per average daily attendance. The reimbursement shall come from the Parent Public School Choice Fund established in the act. The Fund shall consist of an appropriation of $60 million and any subsequent appropriations. The Department shall annually evaluate the availability and use of moneys from the fund. If additional moneys are needed to fulfill the purposes of the act, the Department shall request such moneys by a specific line item appropriation.

NUMBER OF TRANSFER STUDENTS (Section 167.1215)
Before October 1st annually, each school district and charter school shall set the number of transferring students such district or charter school is willing to accept for the following school year. The district or charter school may set criteria, including limits on the number of students to be accepted to particular buildings, grades, classrooms, or programs. Districts and charter schools shall publish and notify the Department of such information.

Each school district and charter school shall develop a procedure for creating a waiting list for all transfer applications when applications exceed the district's or charter school's maximum. In accepting students from the waiting list, nonresident districts shall give additional priority to students in the following order: siblings of transfer students, children of active duty military personnel, children of school district or charter school employees, students who previously attended school in the school district or charter school as resident students, and students whose parents' employment circumstances would cause transfer to be in the student's best interest. Nonresident districts may also include other priority factors. Parents of applicants shall be informed of how the waiting list shall operate and may be required to reapply to remain on the waiting list.

APPLICATION PROCESS (Section 167.1220)
A student's transfer application shall be submitted to the nonresident and resident districts on a form approved by the Department before December 1st in the year prior to the school year in which the student seeks to transfer. Nonresident districts shall mark the date and time of receipt on each such application received. Applications shall be reviewed and decided upon by the superintendent of the nonresident district. Reasons for

any rejection shall be submitted to the school board or charter school governing body for review. Rejection decisions may be finalized only by a majority vote of the school board or governing body.

School boards and governing bodies of charter schools may adopt a policy granting the superintendent authority to approve transfer applications submitted after the December 1st deadline if conditions described in the act are met, including a finding of good cause. The act provides additional procedures related to the timing of late applications. Resident districts may appeal the decisions of nonresident districts for suspected violations of provisions of the act relating to late applications. The Commissioner of Education or a three member panel selected by the Missouri Charter Public School Commission shall mediate such disputes and shall conduct a hearing if the mediation is unsuccessful. A decision shall be issued within 10 days of such hearing and may be appealed within 5 days.

The superintendents of nonresident districts shall notify the parents of transfer applicants before February 1st whether the application has been accepted or rejected. Such notice shall include, if the application is rejected, the reason for a rejection, or, if the application is accepted, an enrollment deadline and instructions for renewing the transfer enrollment.

AUTHORIZED EXEMPTIONS (Section 167.1225)

The provisions of the Public School Open Enrollment Act shall not supercede any provision of an enforceable desegregation court order or a court-approved desegregation plan. A school district may declare an exemption from the Act if the district is subject to such an order or desegregation plan, or if the district is subject to a settlement agreement to remedy past segregation. Such exemption is irrevocable for one year from the date the district gives notice to the Department. Notice of a district's exemption or intent to resume participation in open enrollment for the next school year shall be issued to the Department by April 1st. Before June 1st of each year, the Department shall report to each school district the maximum number of transfers under the Public School Open Enrollment Act for the next school year.

When students are unable to transfer due to an exemption declared by a school district due to a court order, desegregation plan, or segregation-related settlement agreement, such students shall be given priority for any transfers in the subsequent school year by the resident district in the order application notices were received from such students.

A school district with an approved or voluntary diversity plan may deny a Public School Open Enrollment Act transfer if the district determines that the transfer conflicts with such plan.

Students transferring to nonresident districts pursuant to provisions of current law allowing transfer if the resident district does not offer high school instruction, under the Elementary and Secondary School District Enrollment Option Act, or through the Metropolitan Schools Achieving Value in Transfer Corporation, shall not be subject to the requirements of the Public School Open Enrollment Act. School districts participating in such programs shall also not be subject to such requirements. Students transferring pursuant to the Public School Open Enrollment Act shall not be considered transfer students for purposes of other provisions of current law allowing transfers.

APPEAL PROCEDURE (Section 167.1230)

Students whose transfer applications are rejected may file an appeal with the Department or a three member panel selected by the Missouri Charter Public School Commission. The appeal shall be sent in writing within 10 days after the student or the student's parent receives notice of rejection. A copy of the appeal shall also be sent to the superintendent of the nonresident district where the applicant seeks to transfer. The appeal shall state

the basis for appeal, shall include a copy of the notice of rejection, and may include documentation to show that the transfer would be in the student's best interest. The nonresident district may submit additional documentation or arguments supporting the rejection decision to the Department or the three member panel, and shall submit copies of any such response to the student or student's parent, no later than 10 days after receiving a copy of the appeal. The Department or the three member panel shall notify the parent, nonresident district, and resident district of the basis for the Department's or panel's decision if it overturns the rejection.

The Department shall collect data from school districts and each charter school sponsor shall collect data from each sponsored charter school on the number of applications made under the act to study its effects. The Department shall consider the maximum number of transfers and exemptions for up to two years to determine whether a significant racially segregative impact has occurred in any school district. Before October 1st of each year, the Department and each charter school sponsor shall report its findings to the Joint Committee on Education, the House Committee on Elementary and Secondary Education, the Senate Committee on Education, and any other education committee designated by the Speaker of the House of Representatives or the President Pro Tempore of the Senate.

MoASBO Board-Legislative Committee Update

SB115 (Brattin) - Establishes provisions regarding elementary and secondary education
This is a Parents Bill of Rights bill, similar to what we have seen in prior years

This act establishes the following provisions relating to elementary and secondary education:
DIVISIVE CONCEPTS (Section 160.2550)

- Under this act, school districts are prohibited from teaching about The 1619 Project initiative of The New York Times or any successor theory or concept, critical race theory or any successor theory or concept, and any divisive concepts, as such term is defined in the act
- School districts are also prohibited from certain actions listed in the act relating to curriculum and instruction
- In adopting the essential knowledge and skills for the social studies for each grade level from kindergarten through 12th grade, each school district shall adopt knowledge and skills that develop each student's civic knowledge as set forth in the act
- School districts shall not accept private funding for the purposes of teaching any curriculum substantially similar to critical race theory or The 1619 Project
- The Attorney General may investigate school districts for compliance with the act
- Any school district that violates the provisions of the act shall have 50% of the district's state aid withheld until the district presents evidence to the Department of Elementary and Secondary Education that the district is no longer in violation of this section

SUNLIGHT IN LEARNING (Section 161.856)

- This act establishes the "Sunlight in Learning Act", which requires certain training, instructional, and curricular materials to be posted on a public school's or charter school's website.
- The website shall include the title, author, organization, and any website associated with the material or activity as well as the identity of the teacher or other person who created the learning material
- Any activity that involves service-learning, internships, or outside organizations shall be included on the website
- All procedures for the documentation, review, or approval of materials used for staff or faculty training or student learning shall be included on the school website
- A listing of available resources in the library shall be included on the website
- The information required to be posted on the school website shall be displayed online prior to the first instance of training or instruction, or, at the latest, fourteen days after the training or instruction
- The information shall be organized by school, grade, teacher, and subject, and be displayed on the website for at least two years
- Schools may use a collaborative online document or spreadsheet software to update the listings on the website
- The listing shall be created and displayed in searchable or sortable electronic formats
- A school with fewer that twenty enrolled students and whose materials and activities are selected independently by instructors is not required to post a list of learning materials and activities on a website
- The Attorney General, Commissioner of Education, State Auditor, prosecuting or circuit attorney, or resident of a school district may initiate a suit against the school district, public school, charter school, or other governmental entity responsible for educational oversight if a violation of this act occurs
- Courts shall not entertain complaints unless complainants have first worked to remedy the situation by contacting school officials, who have fifteen days to resolve the situation, or by contacting the school board, who have forty-five days to resolve the situation
- No school officials shall purchase or contract copyrighted learning materials, including renewal of subscription-based materials where students are provided login credentials or access via electronic personal

devices, unless provisions are made to allow parents and guardians of students to review the materials within thirty days of the submission of a written request to the school

PARENTS' BILL OF RIGHTS (Section 161.1140)

- This act creates the "Parents' Bill of Rights Act of 2025." Under this act, no school district shall deny to the parent or guardian of a minor child certain rights
- Such rights include:
  - the ability to fully review the curricula, books, and other educational materials used by the school attended by their child;
  - the ability to access information on teachers, guest lecturers, and outside presenters who engage with students at the school;
  - the ability to access information on third-party individuals and organizations that receive contracts or other funding through the school;
  - the right to visit their child at school during school hours;
  - the right to access all records generated by the school that concern their child;
  - the ability to access information pertaining to the collection and transmission of data regarding their child;
  - the right to be heard at school board meetings;
  - the right to be notified of situations affecting the safety of their child at school; and
  - the right to object to certain materials that the parent finds inappropriate to be taught to their child
- Any person denied one of these rights may bring a civil action for injunctive relief
- The attorney general may also bring a civil action for injunctive relief. If a school district is found to have violated this act, the Department of Elementary and Secondary Education may withhold up to fifty percent of the state aid for such district

PARTICIPATION IN ATHLETIC COMPETITION (Section 167.177)

- Upon adoption by a school district and approval of the residents of the school district, no public school shall knowingly allow a student of the male sex who is enrolled in such public school to participate in a school-sponsored athletic team that is exclusively for students of the female sex
- Beginning July 1, 2026, the Joint Committee on Education shall study exclusively male or female athletic events and the impact of a policy that prohibits participation in those events by individuals of the opposite sex
- By January 1, 2027, the Committee shall report its findings to the General Assembly
- The Attorney General may investigate any school district alleged to be in violation of this provision
- Any school district found to be in violation shall have fifty percent of its state aid withheld until the school district provides evidence to the Department of Elementary and Secondary Education that it is in compliance with this provision

MoASBO Board-Legislative Committee Update

SB182 (Crawford) - Modifies provisions relating to elections

NOTICES OF ELECTION (Section 115.125)

The act allows a notice of election to be sent by email.

This provision is identical to a provision in SB 926 (2024), a provision in HCS/HB 1525 (2024), a provision in HCS/HB 2140 (2024), and a provision in HCS/HB 2895 (2024).

CANDIDATE FILING DEADLINES - LOCAL OFFICES (Section 115.127)

Under current law, the period for filing a declaration of candidacy in certain political subdivisions and special districts is from 8:00 a.m. on the 17th Tuesday prior to the election until 5:00 p.m. on the 14th Tuesday prior to the election. This act changes that period to 8:00 a.m. on the 16th Tuesday prior to the election until 5:00 p.m. on the 13th Tuesday prior to the election, unless the 13th Tuesday prior to an election falls on a holiday, then the closing of filing shall be at 5:00 p.m. on the next day that is not a holiday.

This provision is identical to SB 774 (2024), a provision in SB 926 (2024), a provision in HCS/HB 1525 (2024), HB 1604 (2024), a provision in SCS/HB 2084 (2024), a provision in HCS/HB 2140 (2024), a provision in HCS/HB 2206 (2024), a provision in HCS/HB 2895 (2024), a provision in SCS/SB 346 (2023), and CCS/HS/HCS/SS#2/SCS/SB 96 (2023) and substantially similar to HB 2225 (2024), HCS/HB 1214 (2023), provisions in the perfected HCS/HBs 267 & 347 (2023), and HCS/HB 783 (2023).

ABSENTEE VOTING (Sections 115.277 and 115.284)

The act allows eligible covered voters to vote absentee by submitting a federal postcard application at the office of the election authority on election day even though the person is not registered. Interstate former residents and new residents may vote by absentee ballot at the office of the election authority on election day for the offices for which such voters are entitled to vote. This provision is identical to a provision in SB 926 (2024), a provision in HCS/HB 1525 (2024), a provision in HCS/HB 2140 (2024), and a provision in HCS/HB 2895 (2024).

The act provides that all lists of absentee ballot applications for persons with permanent disabilities shall be kept confidential. Such lists of applications shall not be posted or displayed in an area open to the general public, nor shall such lists of applications be shown to any unauthorized person.

This provision is identical to provisions in to a provision in SB 926 (2024), a provision in HCS/HB 1525 (2024), a provision in HCS/HB 2140 (2024), and a provision in HCS/HB 2895 (2024), substantially similar to a provision in SCS/SB 346 (2023), and similar to a provision in the perfected HCS/HBs 267 & 347 (2023), a provision in HCS/HB 783 (2023), and a provision in CCS/HS/HCS/SS#2/SCS/SB 96 (2023).

CASTING PROVISIONAL BALLOTS (Section 115.430)

The act expands a provision of law governing the casting and counting of provisional ballots to all public elections, rather than just particular primary or general elections.

This provision is identical to provisions in HCS/HB 1525 (2024), HB 2052 (2024), HCS/HB 2140 (2024), HCS/HB 2895 (2024), SCS/SB 346 (2023), the perfected HCS/HBs 267 & 347 (2023), and a provision in HCS/HB 783 (2023).

WRITE-IN CANDIDATES - REPEAL OF EXEMPTION FOR ELECTIONS WITHOUT PARTY CANDIDATES (Section 115.453)

Current law provides that votes for write-in candidates are only counted for candidates who have filed a declaration of intent to be a write-in candidate. Current law also provides an exemption to this requirement in instances where no candidate has filed for the office in question. This act repeals the exemption so that write-in candidates are only counted when a declaration of intent to be a write-in candidate has been filed with the proper election authority.

MoASBO Board-Legislative Committee Update

TAMPERING WITH AN ELECTION OFFICIAL (Section 115.638)

The act creates the offense of tampering with an election official. A person commits the offense of tampering with an election official if, with the purpose to harass or intimidate an election official in the performance of such official's official duties, such person:

- Threatens or causes harm to such election official or members of such election official's family;
- Uses force, threats, or deception against or toward such election official or members of such election official's family;
- Attempts to induce, influence, or pressure an election official or members of an election official's family to violate Missouri election law;
- Engages in conduct reasonably calculated to harass or alarm such election official or such election official's family, including stalking;
- Disseminates through any means, including by posting on the internet, the personal information of an election official or any member of an election official's family.

The offense of tampering with an election official shall be a class one election offense, punished by imprisonment of not more than five years or by fine of not less than two thousand five hundred dollars but not more than ten thousand dollars or by both such imprisonment and fine. If a violation of this provision results in death or bodily injury to an election official or a member of the official's family, the offense shall be a class B felony.

This provision is identical to a provision in SB 926 (2024), substantially similar to a provision in SCS/SB 346 (2023) and similar to a provision in HCS/HB 1525 (2024), a provision in HB 2052 (2024), a provision in HCS/HB 2140 (2024), a provision in HCS/HB 2895 (2024), and a provision in HCS/HB 2206 (2024).

MoASBO Board-Legislative Committee Update

HB416 (Shields) Modifies provisions governing school safety (Updated 3/31/2025 as passed by the House)

SCHOOL SAFETY (Section 160.663)
Schools must equip interior doors with anti-intruder locks and exterior doors with bullet-resistant film, subject to appropriations or donations, with all doors compliant by July 1, 2029. Policies must address classroom access and lockdowns, including window coverings that conceal occupants while allowing limited visibility for first responders.

ACTIVE SHOOTER TRAINING FOR SCHOOLS PROGRAM (Section 170.315)
From the 2026-27 school year, annual active shooter and intruder response training—eight hours initially, four hours ongoing—is required for teachers and staff. Schools must also conduct yearly active shooter drills with student participation and promote the Courage2ReportMO system with age-appropriate info.

EMERGENCY OPERATIONS PLAN (Section 160.480)
School districts and charter schools must adopt a comprehensive emergency operations plan addressing safety, crises, and emergencies, sharing it with local law enforcement, fire services, and emergency management. Schools are required to conduct an annual physical security site assessment, while DESE will set standards for these plans.

MISSOURI SCHOOL IMPROVEMENT PROGRAM (Section 160.660)
From July 1, 2026, the State Board of Education will update school safety criteria, requiring primary and secondary school safety coordinators to complete FEMA's Incident Command System training or a Missouri School Boards' Association equivalent within their first year.

STUDENT ELECTRONIC DEVICE USAGE (Section 162.207)
Starting in the 2026-27 school year, districts and charter schools must enact policies restricting electronic device use during instructional time to promote education and safety. These policies, published online, must include disciplinary measures, exceptions, and liability protections for enforcement.

CARDIAC EMERGENCY RESPONSE PLAN (Section 160.482)
Starting in the 2026-27 school year, public schools must implement a cardiac emergency response plan for sudden cardiac arrests, including specific protocols for athletic events. The plan must integrate evidence-based elements like those from the American Heart Association, establish a response team, place AEDs strategically, and train staff such as coaches and nurses in CPR and AED use.

STOP THE BLEED ACT (Section 160.485)
The "Stop the Bleed Act" mandates DESE to develop a traumatic blood loss protocol by January 1, 2026, requiring bleeding control kits in high-traffic or high-risk school areas. Each district must designate a trained staff member, ideally a nurse, to handle these kits, with protocol details posted online alongside Stop the Bleed campaign info.

BEHAVIOR RISK ASSESSMENTS (Sections 167.020 and 167.022)
Behavioral risk assessments must be included in student enrollment records requested by school officials to enhance safety monitoring and response.

MoASBO Board-Legislative Committee Update

JUVENILE COURT (Section 167.115)
Schools must be notified within 24 hours of juvenile court petitions, charges, or indictments, with prosecutors added as notifiers and case summaries due within two business days of disposition. Districts can seek injunctions to exclude dangerous students and provide alternative education settings.

AGREEMENTS WITH LAW ENFORCEMENT (Section 167.117)
Districts and charter schools may establish written agreements with law enforcement to report specified offenses, with options to report certain crimes by students under 11 to the Children's Division.

CARDIOPULMONARY RESUSCITATION (Section 167.624)
CPR training becomes mandatory for all school district and charter school employees to enhance emergency preparedness.

MoASBO Board-Legislative Committee Update

HB970 (Hardwick) - Establishes provisions relating to video lottery gaming terminals, licenses, and regulation

ILLEGAL GAMING ENFORCEMENT FUND
This bill creates the "Illegal Gaming Enforcement Fund", which consists of revenues received from the State Lottery Commission. Revenue deposited into the fund will be used by the Attorney General for investigating and prosecuting violations of law.

(Section 27.180, RSMo)
ENFORCEMENT OF LICENSED GAMING ACTIVITIES
Currently, the Superintendent of the State Highway Patrol may enter into an agreement with the Missouri Gaming Commission to enforce rules and regulations, conduct background investigations, and enforce the regulations of licensed gaming activities. This bill allows the Superintendent to also enter into agreements with the Missouri Lottery Commission. (Section 43.050)

HONORING MISSOURI VETERANS AND SUPPORTING MISSOURI EDUCATION ACT
This bill creates the "Honoring Missouri Veterans and Supporting Missouri Education Act". The bill provides funding for Missouri education programs and the Veterans Commission, and establishes a regulatory framework for video lottery game terminals (Section 313.425).

The Commission shall implement a system of video lottery game terminals and issue licenses to video lottery game manufacturers, distributors, operators, handlers, and retailers, with the following restrictions:
(1) A person licensed as a video lottery game manufacturer or distributor cannot also be licensed as a video lottery game operator or retailer;
(2) A video lottery game operator cannot hold a license as a video lottery game manufacturer, distributor, or retailer; and
(3) A video lottery game retailer cannot obtain a license as a video lottery game manufacturer, distributor, or operator.

Nothing in these provisions prevents a video lottery game manufacturer from acquiring both a manufacturer's license and a distributor's license, as well as providing and operating the centralized computer system for monitoring video lottery game terminals.

The Commission must not permit a single vendor to implement the entire system of video lottery game terminals. A vendor that offers a centralized computer system is ineligible to be licensed as a video lottery game operator or retailer. The Commission must also ensure that private sector investment and job opportunities are encouraged.

The commission will set minimum standards for video lottery terminals operating in the state. Those minimum standards for game terminals must include:
(1) Conforming to all required Federal laws and regulations, including FCC Class A Emission Standards;
(2) Theoretically paying out a mathematically demonstrable percentage over the lifetime of the machine, which must not be less than 80%. The Commission must establish a maximum payout percentage. Game terminals that may be affected by skill must meet this standard and provide the greatest return to the player over a period of continuous play;
(3) A random number generator or similar method to ensure each play produces a random outcome of each play of the lottery game. This process must achieve 99% percent confidence, verified by a chi-squared test;
(4) An accurate display of the game outcome;

(5) Must not automatically alter pay tables or any function of the terminals based on internal computation of hold percentage or any methods of manipulation that affects the random selection or probability of winning;
(6) Must not be adversely affected by static discharge and electromagnetic interference;
(7) Must be capable of detecting and displaying messages like “power reset,” “door open,” and “door just closed” when in an idle state or on demand;
(8) Must have the capacity to display complete play history, including outcome, intermediate play steps, available credits, bets placed, credits paid, and credits cashed out, for the most recent game and the 10 games played immediately prior;
(9) The theoretical payback percentage of a game terminal must not be capable of being changed without making changes to hardware or software in the game terminal;
(10) Must be designed so that replacement of parts or modules does not necessitate replacement of electromechanical meters;
(11) Must have meters that cannot be reset or housed in a locked area of the game terminal that keep a permanent record of:
(a) All cash inserted into the machine;
(b) All credits cashed out by the terminal printer;
(c) Credits played by players; and
(d) Credits won by players.
The Commission shall determine how on-demand displays of stored information will be provided. The information must be preserved for at least 180 days after a power loss to the terminal;
(12) Must have a minimum of one mechanism that accepts cash in the form of bills. Such mechanisms must be designed to prevent obtaining credits by tampering with the game terminal, and if attempts at physical tampering are made, the game terminal will suspend itself from operating until reset;
(13) Must have accounting software that keeps an electronic record of information including total cash inserted, value of winning tickets claimed, total credits played, total credits awarded, and payback percentage credited to players;
(14) Must be capable of issuing and accepting tickets for play, commonly known as ticket-in, ticket-out and must not directly dispense anything of value except for tickets representing credits purchased or won on a video lottery game terminal; and
(15) Must connect to a centralized computer system developed by the Commission.

The Commission may impose an initial nonrefundable license application fee that will be deposited in the State Lottery Fund, at set dollar values as specified in the bill. The initial license will be valid for one year. After the first year, the license can be renewed for a period of five years, provided the applicable renewal fee is paid in advance for each year of renewal. Annual renewal fees will apply for anyone licensed under these provisions. For a video lottery game operator, the fees shall be $200,000, with a renewal fee of $100,000 The other fees are specified in the bill.

An annual administrative fee of $1,000 is required for each video lottery game terminal placed in service. This fee will be equally divided between the video lottery game operator and the retailer, payable to the Commission once a year.

The fee will be allocated with $200 distributed to the State Lottery Fund and the remaining $800 will be allocated as follows:
(1) $100 to the Missouri State Highway Patrol for investigations;
(2) $100 to the Missouri Attorney General’s Office for illegal gambling enforcement;
(3) $400 dollars to the Veterans Commission; and

(4) $200 to the municipality where the terminal is located; if in an unincorporated area, the funds will be transmitted to the county.

Licensed video lottery game operators and retailers must sign a written agreement for the placement of video lottery game terminals. The operator must provide the retailer with a copy of the signed agreement within 10 days. This agreement must be on a commission-approved form and include commercially reasonable terms, as specified in the bill.

A video game lottery retailer must not enter into an agreement with more than one video lottery game operator at any time. All licenses shall remain subject to all imposed taxes.

Game terminals must be inspected and approved by the Commission before being sold, leased, or transferred. Licensed manufacturers can buy, sell, or lease new or refurbished terminals to and from licensed distributors. Distributors may also conduct these transactions with licensed operators. Ticket redemption terminals must meet independent testing standards approved by the Commission.

The bill allows a video lottery game operator that owns or leases redemption terminals before the specified operational date to use or sell the terminals. The Commission will approve terminals for use and sale if they meet the criteria of these provisions or if they have been approved by another state for its video lottery game system.

Licensed video lottery game operators may:
(1) Purchase, lease, or rent video lottery game terminals from licensed manufacturers, operators, or distributors;
(2) Handle, place, and service video lottery game terminals; and
(3) Connect the game terminals to the centralized computer system approved by the Commission.

All video lottery game tickets must be redeemed at a video lottery game ticket redemption terminal located near the game terminals within the retailer's establishment. Video lottery game operators must pay a 32% commission on any cash prize from tickets not redeemed within 180 days. The bill prohibits game terminal operators from leasing property to retailers, and lease agreements cannot include provisions for sharing net terminal income or calculating rent based on the income.

Only video lottery game operators or their employees may negotiate agreements with video lottery game retailers for placing terminals. Operators and retailers may not offer anything of value, aside from the agreed percentage of adjusted gross receipts and may not compensate a third party for contract solicitation or execution.

The bill allows operators to contribute up to $10,000, covering half the costs of a video lottery game terminal area in their agreements with retailers.

To address problem gambling, video lottery game operators must allow players to voluntarily exclude themselves from games. Operators must provide the Commission with a confidential list of excluded players within 30 days and update the list as required. Additionally, video lottery game operators or retailers may establish a commission-approved player rewards system, but players cannot be required to join the program to participate in the games.

A licensed video lottery game operator must not:

(1) Dispense anything of value from video lottery game terminals except video lottery game tickets, which must indicate the total credits, cash award, time, date, terminal serial number, ticket number, and an encrypted validation number. The maximum wager per play is $4, and the maximum prize must be $1 less than the minimum reporting threshold for slot machine winnings;
(2) Operate more than 12 video lottery game terminals in any licensed establishment;
(3) Advertise to the public in any form, including media, mail, and billboards. This prohibition applies to all licensees but does not restrict marketing among manufacturers, distributors, operators, retailers, and handlers in trade journals or conferences; or
(4) Allow game play when the establishment is closed for business.

This bill states that no one under 21 years of age is allowed to play video lottery games and the video lottery game retailer is responsible for preventing anyone under 21 from playing video lottery games. Every retailer is required to have a video surveillance system where the game terminals are located and the video footage must be maintained for 30 days. Any operator or retailer that fails to report any violation of these provisions may be subject to a fine not to exceed $5,000.

The bill requires each operator to post a sign in a conspicuous location where the terminals are located that contains the phone number for the problem gambling helpline as specified in the bill.

Video lottery game operators must pay the Commission 34% of the adjusted gross receipts from video lottery games, which must be deposited into the State Lottery Fund. The Commission will allocate these funds as follows:
(1) Retain an amount for necessary to cover administrative expenses not covered by operator reimbursements;
(2) Distribute funds to municipalities and counties based on tax revenue from video lottery game terminals. Each municipality and county will receive 10% the revenue generated within its boundaries for public safety services at the terminals. These funds will be placed in the general revenue fund of each municipality and county; and
(3) Deposit the remaining funds into the State Lottery Fund, which must be equally allocated to public elementary and secondary education and public institutions of higher education. Emphasis must be placed on student transportation costs and workforce development programs, and the funding will supplement, not replace, existing education appropriations.

All revenues from license fees and any related reimbursements received by the Commission, including interest earned, will be considered administrative expenses and deposited into the State Lottery Fund. Subject to appropriation, up to 1% of the license fees may be allocated to the Compulsive Gamblers Fund and the remaining funds will be used for administrative expenses associated with overseeing and enforcing these provisions.

To ensure an orderly implementation of the video lottery game system, the Commission must:
(1) Contract for the supply and operation of a centralized computer system for video lottery games within 365 days of the effective date;
(2) Make license applications for manufacturers, distributors, operators, retailers, and handlers available within 365 days and establish necessary regulations;
(3) Provide an approved form for video lottery game terminal operator applications within 365 days;
(4) Establish a start date for initial operators to solicit contracts with retailers, which cannot exceed 180 days after the last application from the first year is approved;
(5) Approve or deny applications within 90 days, ensuring decisions for first-year applications are made at least 30 days before the start date; and

(6) Establish an operational date for the video lottery game terminal system, set no more than 180 days after the start date.

Any municipality or county with an ordinance that prohibits or restricts video game terminals will be invalid as of the effective date of this bill and a new ordinance shall not be adopted until one year after the operational date, as specified in the bill. Any municipality or county that adopts an ordinance prohibiting or restricting the licensing of video lottery game retailers or terminals is required to notify the Commission.

Beginning August 28, 2025, no person shall enter into any contract, agreement, or otherwise for the sale, use, license, or operation of no-chance game machines, coin-operated amusement devices, or any other similar device. Existing no-chance game machines will be allowed to continue in force if the owner of the no-chance game machine requests and receives a permit sticker from the Commission for each no-chance game machine. The owner has 60 days to submit the request.

The Commission shall provide a form to request permit stickers for no-chance gaming machines. The forms will include certain information, as described in the bill.

The Commission shall charge a $25 fee for each permit sticker issued. Once the completed form is received, the Commission will issue the permit sticker within 10 days.

This bill does not prevent the issuance of licenses based on an applicant's involvement with no-chance game machines. Video lottery game retailers must certify, using a form from the Commission, that they do not operate any no-chance game machines in their establishments. This certification must be submitted within 48 hours of installing and beginning operation of any video lottery game terminals.

A permit sticker will expire upon the earlier of:
(1) The expiration of the 48 hour notice if it's on a no-chance game machine at a retailer with video lottery terminals; or
(2) 180 days after the specified operational date.

The Commission must provide all necessary forms within 60 days of the effective date of the bill (Sections 313.425 to 313.437).

DEFINITIONS AND GAMBLING OFFENSES
This bill updates the definition of gambling to include gambling devices, as provided in the bill (Section 572.010). This bill declares that VFW raffles that use tickets, devices, or machines as being part of the provisions of Chapter 572 that hold that nothing shall prohibit the constitutionally authorized activities found under Article III, Sections 39(a) to 39(f) of the Missouri constitution, so long as the winner of such a raffle is determined by the opinion of a qualified engineer (Section 572.015).

Currently the offense of gambling is a class C misdemeanor, except in certain circumstances. This bill makes gambling a class E felony (Section 572.020).

The offense of possession of a gambling device shall remain a class A misdemeanor (Sections 572.070).

MoASBO Board-Legislative Committee Update

HB660 (Keathley) - Modifies provisions relating to certain special taxing districts

The bill provides that, beginning July 1, 2026, the DOR must prominently display links on the homepage of its website which direct the public to color-coded, interactive maps featuring data about sales and property taxes in all political subdivisions in the state.

All political subdivisions will provide the DOR with data relating to property taxes by January 1, 2026. The DOR must also use the most recent publication of the Missouri state auditor's report on property tax rates in order to update and maintain the property tax levy data each year.

This bill specifies that if a political subdivision submits a tax proposal for a new or increased tax authorized under a specific statute and it does not pass, the proposal cannot be submitted again for two years following the rejection.

The bill allows a political subdivision to reintroduce a previously rejected tax proposal to voters before the next election cycle if the new proposal introduces a new tax authorized by law or increases the rate of existing tax authorized by law in a Federal - or State-declared natural disaster area.

This bill requires that if the governing body of a municipality wishes to establish a sales tax by way of a proposed community improvement district, the ordinance must be approved by a two-thirds vote of the governing body. Any ordinance or petition approved under these provisions that establishes a district that is funded by a sales tax is required to pass by at least a two-thirds majority vote.

The bill exempts non-profit entities pursuant to 26 U.S.C. Section 501(c) from any property tax or special assessment that might be levied by a taxing district.

This bill requires that the election authority for a political subdivision or special district label taxation-related ballot measures numerically or alphabetically. Ballot measures will not be labeled in any other descriptive manner.

The bill requires that when a single family home is leased, in whole or in part, for less than 30 consecutive days, the home will not be considered "transient housing".

This bill also requires that any ballot measure proposing a tax alteration on real property must clearly state the impact of the proposed change in terms of the actual amount per $100,000 of a property's market value within the ballot language.

The bill provides that all school districts and the counties levying certain sales taxes must include as tax revenue the amount by which they lowered their property tax rates because of those sales taxes in the immediately preceding fiscal year.

This bill requires that if voters are asked to approve a permanent increase to the tax rate ceiling before a temporary levy increase expires, the ballot language must clearly indicate that if the permanent increase is approved, the temporary levy will become permanent.

The bill provides that, for a governing body of any political subdivision that levies a tax rate lower than its tax rate ceiling, the reduction to the tax rate ceiling in a non-reassessment year must be applied in the immediately following year of general reassessment. This bill also provides that an increase of the previously lowered tax rate

to the tax rate ceiling in a non-reassessment year must be applied in the immediately following year of general reassessment.

The bill defines “current tax rate ceiling” and “increased tax rate ceiling”. When a majority of voters in a political subdivision approve a tax rate increase, the subdivision must use the current tax rate ceiling and the approved increase for the following tax year. If the assessed valuation of real property decreases in that year, the subdivision can adjust its levy rates to ensure it receives the same revenue it would have received without the property value reduction. The use of the increased tax rate ceiling must be revenue neutral, as mandated by the Missouri Constitution.

This bill allows the State Tax Commission (STC) to choose a nationally recognized automotive trade publication such as the National Automobile Dealers’ Association Official Used Car Guide (NADA), Kelley Blue Book, Edmunds, or other similar publication. The assessor of each county will then use the trade-in value published in the current October issue of the publication selected by the STC.

The bill also provides that the assessor must not assess a motor vehicle for an amount greater than the motor vehicle was properly assessed in the previous year.

This bill provides that when an order is issued by the State Tax Commission that requires a county to comply with state law by modifying or equalizing assessed valuations, and those modifications result in a reduction of the assessed valuations, the county is allowed 60 days to come into compliance. The order must state the deadline for compliance, but the STC may extend the deadline upon the county’s request by an additional 30 days, for a total of no more than 90 days to reach compliance.

If the county fails to comply, the STC may direct the Department of Revenue (DOR) to withhold local sales tax moneys that the county would otherwise be entitled to. The withholding will remain in effect until the STC determines that the county has come into compliance with the order.

The amount of local sales tax that may be withheld must equal 100% of the total dollar amount of the improper assessments that were in excess of the statutorily allowed amounts. The sales tax revenue will be deposited into the newly created “County Assessment Noncompliance Trust Fund”. The STC must notify the county of the withholding and provide information on how the county may cure the non-compliance in order to release the withheld revenue.

If the noncompliant county comes into compliance, the STC must notify DOR that it may release and remit the previously withheld local sales tax revenue to the county. A county is not entitled to interest on the withheld funds.

A county may seek judicial review of the STC’s determination of non-compliance.

If the STC determines that a county is non-compliant, and the determination results in the withholding of sales tax revenue, the county may seek judicial review of that determination within 30 days.

If the court subsequently finds that the STC’s determinations were made in error, the court must order that the amount of sales tax revenue withheld be returned to the county, with interest on the amounts wrongfully withheld. The interest will be paid from the State Legal Expense Fund. A county is not entitled to interest if the court upholds the STC’s determinations.

MoASBO Board-Legislative Committee Update

This bill allows a taxing authority to establish a proration program for payments of personal property on totaled motor vehicles. The taxing authority may award a prorated property tax credit during the tax year to reduce the total personal property tax owed on a totaled motor vehicle and claimed against the amount of personal property tax due at the end of the same tax year.

The prorated property tax credit must be prorated on a monthly basis. The amount of the credit is determined by a ratio, where the numerator must be the number of full months from the date of disposition of the totaled motor vehicle continuing through the close of the tax year, and the denominator is 12. The prorated property tax credit is nonrefundable but may reduce the tax liability to zero.

A taxpayer may apply for this program if:
(1) The totaled vehicle was owned, registered, and titled under the taxpayer's name as of January 1 of the tax year in which the vehicle was totaled; or if owned by a business, the name of the business or authorized agent;
(2) The totaled vehicle was included on the local taxing entity's tax roll, and the taxpayer was liable for personal property taxes on the totaled vehicle;
(3) The taxpayer was up to date on all state and local taxes and fees owed on the totaled vehicle; and
(4) The title on the totaled vehicle has been transferred to the insurance company and is no longer titled or registered to the taxpayer nor in the taxpayer's possession;

If a taxpayer who participates in this program purchases a replacement vehicle during the same tax year that the taxpayer's vehicle was totaled and he or she received a prorated property tax credit, the replacement vehicle will not be included in the tax rolls for that tax year to offset the property tax liability.

Taxation of the replacement vehicle must follow the normal assessment procedures.

A taxing entity must adopt a personal property tax proration program by way of an ordinance. The ordinance must include the following:
(1) Procedures and deadlines for application and participation in the program, as well as required documentation, as specified in the bill;
(2) Procedures for verification and record keeping of the prorated property tax credit amount, as well as the amount of personal property tax to be modified;
(3) Creation of a form for use by taxpayers;
(4) Procedures for the crediting of the amount of the prorated property tax credit toward the taxpayer's personal property taxes; and
(5) Any other provision the taxing entity deems reasonable and necessary to implement and carry out the program.

The taxing entity may by ordinance establish rules and procedures for the program, and must make the information regarding the program available to the taxpayers.

A taxpayer who participates in the program will not have his or her right to protest the amount of the tax payments affected.

This bill further requires that any project proposals from a transportation development district be submitted to the Missouri Highways and Transportation Commission, or to the local transportation authority, as applicable, for approval prior to the construction or funding of any project. The Missouri Highways and Transportation Commission, or the local transportation authority, as applicable, must approve the project by a two-thirds majority if the proposed project is to be funded by a sales tax. The bill provides that property owned by certain

entities that are exempt from taxation must be exempt from any special assessment levied by certain districts as long as the property is used in alignment with the entity's tax-exempt purposes.

MoASBO Board-Legislative Committee Update

HCS HB607 (Lewis) - SALARIES FOR TEACHERS

GRADE LEVEL EQUIVALENCE (Section 160.518 and 160.522)
The bill defines "Grade-level equivalence", a metric developed and used by the Department of Elementary and Secondary Education (DESE) or a nonprofit 3rd party, to show a student's proximity to doing grade-level work for grades three to eight.

This bill identifies and describes the performance level descriptors as: advanced, proficient, grade level, basic, and below basic, with specified characteristics for each level. The school accountability report card must provide each student's grade-level equivalence as measured on the statewide assessment. Data relating to the grade-level equivalence must be searchable on a building-by building, school-by-school, district-by-district, and statewide level. The data must display a percentage of students at grade level or above for each level, provided that no data will disclose personal identification of any student except to a student's parent.

ADULT HIGH SCHOOL AGE AND TRANSFER STUDENTS (Sections 160.2700, 160.2705, and 160.2710)
The bill changes the age for enrollment for adult high schools in the state from 21 to 18 years of age. A student who transfers from a local education agency to an adult high school will be considered a transfer student and not a dropout student by the State for the purposes of compiling and tracking dropout rates.

MISSOURI COURSE ACCESS AND VIRTUAL SCHOOL PROGRAM (Section 161.670 and 163.044)
Currently, school districts with an average daily attendance of 350 or less students qualify for additional funding. This bill removes from the average daily attendance count any nonresident students enrolled in the virtual school program in the school districts. The bill specifies that any virtual school or program that is part of the Missouri Course Access and Virtual School Program may administer any statewide assessment virtually. This bill outlines requirements for virtual assessments, including the monitoring of students via a camera and maintaining a student-to-proctor ratio that is targeted at 10 to one or lower.

SALARIES FOR TEACHERS' MASTERS DEGREES (Sections 163.045 and 163.172)
This bill clarifies language relating to additional funding for teacher salaries that districts receive if the district has a school calendar with 169 school days. The clarification provided allows for inclement weather or authorized reductions to the number of days the district must be in session to qualify for the funding (Section 163.045 RSMo). The bill modifies the minimum teacher salary to remove the requirement that a teacher's master's degree must be in an academic teaching field directly related to the teacher's assignment. (Section 163.172).

SCHOOL TUITION AND AID (Section 167.151)
Beginning with the 2025-26 school year, this bill expands who can qualify for a tuition waiver and state aid qualification and allows any child whose parent is a contractor or regular employee of a non-resident school district to attend the school district without paying tuition and to count as a resident pupil for the purpose of state aid. The bill requires the parent of the non-district student to provide specified information, and the contractor or employee must have worked a minimum number of days, not to exceed 60, for the student to be eligible. The resident district or the non-resident district is not responsible for providing transportation and if the parent of the student no longer works at the school, the student is allowed to complete the school year.

ZERO-TOLERANCE POLICIES (Section 167.167)
This bill requires school districts to prohibit any zero-tolerance disciplinary policy. Zero-tolerance discipline that results in an automatic disciplinary consequence without reviewing each pupil in a case-by-case manner is prohibited.

MoASBO Board-Legislative Committee Update

TEACHERS OF TOMORROW (Section 168.021)
The bill authorizes the State Board of Education to issue a Missouri teaching certificate for individuals certified by Teachers of Tomorrow with verification of their ability to work with children with 60 contact hours in the classroom.

TEACHER EXTERNSHIP PROGRAM (Section 168.025)
The bill repeals the sunset provision for the teacher externship program that expired August 28th, 2024.

SUBSTITUTE TEACHING RETIREMENT AUTHORIZATION (Section 168.036)
Currently, the authorization for teachers that are retired to substitute teach without a discontinuance of the teacher's retirement benefit is set to expire in 2025. This bill extends the authorization until 2030.

THREE-CUEING SYSTEM (Section 170.014)
The bill prohibits school districts from using a three-cueing system to teach students to read. A "three-cueing system" is defined as any model of teaching students to read based on meaning, structure and syntax, and visual cues, also known as "MSV". MSV may be included to improve knowledge, add context, and increase oral language and vocabulary to support comprehension as long as the strategies are not used to teach word reading.

TEACHER RECRUITMENT AND RETENTION SCHOLARSHIPS (Section 173.232)
This bill modifies the current Teacher Recruitment and Retention State Scholarship Program to allow for scholarships to cover education costs related to teacher preparation in addition to tuition. If the maximum amount of scholarships or appropriated funds are not distributed, the Department will use any remaining moneys to award additional scholarships for tuition costs and educational costs related to teacher preparation. The student must be attending a four-year college or university located in Missouri; in their final semester of a state-approved baccalaureate-level teacher preparation program; and are student teaching.

The Department will determine the amount of each scholarship awarded based on an equal distribution of remaining moneys among all students eligible under this subdivision. No amount granted can exceed the amount of tuition charged to a Missouri resident at the University of Missouri-Columbia for attendance for one semester.

The bill also removes a requirement that school districts pay 25% of the cost for any scholarship recipient that was hired by the district

SCHOOL CONSTRUCTION BIDDING (Section 177.086)
Currently, any school district authorizing the construction of facilities which may exceed an expenditure of $50,000 must publicly advertise for bids on the contract. The bill exempts school districts which utilize a cooperative procurement process, state procurement services, or other purchasing processes authorized by state or federal law.

MoASBO Board-Legislative Committee Update

SB63 (Brown) - Repeals and establishes provisions relating to participation of certain students in nontraditional educational settings

DECLARATIONS OF INTENT TO HOME SCHOOL (Section 167.042)

- The act repeals a provision authorizing parents to submit a written declaration of intent to home school their child to the recorder of deeds of the county where the child legally resides or to the superintendent of the public school district where the child legally resides.

PARTICIPATION IN PUBLIC SCHOOL ACTIVITIES (Section 167.790)

- The act provides that a school district or charter school shall not be a member of, or remit any funds to, a statewide activities association that prohibits a student receiving instruction at a Family Paced Education school or "FPE school", as such term is defined in current law, a home school, or a full-time virtual school from participating in any event or activity offered by the charter school or by the school district in which the student resides or that requires such students to take any class at a charter school or public school in order to participate in such event or activity
- The act further provides that a school district or charter school shall not prohibit such a student from participating in any event or activity offered by the charter school or by the school district in which such student resides or require such student to take any class in order to participate in such event or activity
- A school district or charter school may establish an attendance policy for any required coursework, rehearsals, practice sessions, or training sessions that are directly related to and required for participation in an event or activity
- A school district or charter school may also require students to participate in components of instruction that are required for participation in fine arts activities, career and technical student organizations, or integrated cocurricular activities
- A statewide activities association shall not prohibit any member school district or charter school from participating in any event with a school that is not a member of the association
- Any school disciplinary policies and attendance policies shall be applied in the same manner to all students who participate in an event or activity
- A school district or charter school shall not establish a separate disciplinary or attendance policy for students who receive instruction at an FPE school, a home school, or a full-time virtual school
- If a student whose academic performance or disciplinary status would preclude such student from eligibility to participate in extracurricular events or activities in his charter school or resident school district disenrolls from such charter school or school district in order to receive instruction at an FPE school, a home school, or a full-time virtual school, such student shall not be eligible to participate in charter school or public school events or activities in the charter school or school district of such student's disenrollment for twelve calendar months from the date of disenrollment
- The parent of a home school student shall oversee any academic standards relating to such student's participation in a charter school or public school event or activity
- Any records created pertaining to an FPE school student, home school student, or a full-time virtual school student shall be made confidential
- The act outlines certain criteria that FPE school, home school, and virtual school students shall satisfy in order to be eligible to participate in charter school or public school activities in their district of residence.
    - For example, such students shall provide proof of residency in the district or within the boundaries of the attendance center or charter school in which they wish to participate in charter school or public school activities. They shall also adhere to the same behavior, responsibility, performance related to the activity, and code conduct standards as do students who are enrolled in the charter school or school district

MoASBO Board-Legislative Committee Update

Late Liquidation

Late liquidation of federal grant funds refers to a situation where a recipient fails to spend or "liquidate" federal grant funds within the allotted 90-day period following the grant's expiration date. Generally, federal agencies require recipients to liquidate obligations (pay bills) incurred during the grant period within this 90-day window. Late liquidation requests are generally considered, but they are scrutinized more closely and must demonstrate the timeliness of obligations and the allowability of costs.

Here's a more detailed explanation:

Liquidation Period:
This is the time after a grant's expiration when eligible expenditures can be claimed and the grant closed out. The standard liquidation period is 90 days, but it can be extended in certain circumstances.

Late Liquidation Requests:
These requests are submitted by grantees to extend the liquidation period beyond the standard 90 days. The Department of Education, for example, has a process for approving such requests, particularly for situations involving complex projects like construction contracts.

Scrutiny of Late Liquidations:
The awarding agency will closely examine late liquidation requests to ensure that the obligations were incurred within the grant period and that the costs are allowable.

Factors for Approval:
The agency may consider factors such as the nature of the obligation (e.g., a long-term contract), the reason for the delay, and the grantee's efforts to manage the funds.

Potential Consequences:
Late liquidations can lead to a reduction in the amount of federal funds available for the project, and in some cases, unliquidated funds may lapse and revert back to the awarding agency.