



2017 MSBA Legislative Summary

The following bills were passed by the Missouri Legislature in the 2017 regular session and signed into law by the governor. To obtain a copy of a bill, go to http://www.senate.mo.gov/17info/BTS_Web/TrulyAgreed.aspx?SessionType=R.

Finance

Education Budget (House Bill 2): A total of \$6.3 billion was appropriated to the Department of Elementary and Secondary Education (DESE) including full funding of the foundation formula (as amended) for \$3.39 billion. Transportation was funded at 21 percent at \$105 million. Assessments were funded at \$9,272,213, with a caveat that the funds cannot be used for assessments that will be used to lower a school district's accreditation or in a teacher's evaluation. *Signed 6/30/17 with \$15 million withheld from transportation.*

Bonding (Senate Bill 111): If a district has an unenhanced bond rating of AA+ or higher on its outstanding general obligation bonds (GO bonds), or is proposing to issue such bonds with that rating, the new issue bonds must be issued through a competitive process (as opposed to a negotiated process) unless the district uses a municipal advisor or the bond issue meets the following requirements:

- The bonds are sold by written agreement to the United States or the state of Missouri;
- The principal amount of the bonds issued does not exceed \$12.5 million; or
- The bonds are issued to refinance previous GO bonds or contemporaneously with an issue of refunding bonds, and the refunding bonds will not exceed the principal of the outstanding indebtedness and accrued interest.

A municipal advisor must be either 1) registered with the U.S. Securities and Exchange Commission, or 2) a CFO of a school district who is either a certified public accountant or has an MBA and is certified as an administrator of school finance and operations by the Association of School Business Officials International. A municipal advisor must be independent from the underwriter and cannot profit financially or otherwise, either directly or indirectly, from the underwriter of a negotiated bond issuance. *Signed 7/11/17.*

Banking (HB 292): Authorizes state chartered banks to purchase or lease real property (land) for the purpose of leasing or subleasing the property to public entities, including school districts. The lease agreement must grant the public entity ownership of the land and buildings on the land upon the expiration of the lease. This will allow local banks to work with districts to create lease-purchase agreements as allowed by state law. *Signed 7/11/17.*

School Board Candidates

Board Member Qualifications (SB 111): Allows candidates for public office, including school board, to have been found guilty or pled guilty to a misdemeanor under federal law. *Signed 7/11/17.*

Kansas City Public Schools Board Member Terms (SB 283): Provides for staggered terms for the Kansas City School Board as the board is reduced from nine to seven board members. *Signed 7/11/17.*

Employment/Personnel

Missouri Human Rights Act Amendment (SB 43): Increases the level of proof necessary to find an employer liable for illegal discrimination, eliminates liability under the statute for individual employees, allows for cases to be resolved using summary judgment, and caps the amount of damages that can be received. This bill also creates the Whistleblower's Protection Act that, among other changes, limits current law so that political subdivisions, such as school districts, cannot be sued under the at-will employment doctrine for terminating an employee for reporting employer misconduct. *Signed 6/30/17.*

Workers' Compensation (SB 66): Increases the level of proof necessary to find an employer liable for discrimination against an employee for exercising his or her rights to workers' compensation. It also adds a rebuttable presumption that if an employee tests positive for a controlled drug not prescribed, the drug was a cause of the accident. The bill limits the length of time temporary total disability or partial disability can be received. *Signed 7/6/17.*

Employee Criminal Action (SB 34): Requires the district to notify and provide additional information to the Public School Retirement System (PSRS) or Public Education Employee Retirement System (PEERS) when an employee is found guilty of specific felonies (stealing, embezzlement, etc.) committed in direct connection with or directly related to the employee's job duties. *Signed 7/6/17.*

Reemployment of Military Members (SB 108): Extends reemployment rights to Missouri employees who are members of the national guard of another state and who are called into active state duty, as well as members of the Army Reserves who are called into active duty. *Signed 6/14/17.*

Retirement (SB 62):

Public School Retirement System (PSRS): Employees who have retired and are receiving benefits from PSRS are allowed to work a maximum of 550 hours with a public school in PSRS and still collect their retirement. This bill amends the statute to apply the 550-hour limitation to retirees who perform services for a public school district through a third party (like a temporary work agency) or as an independent contractor if the retiree is working as a temporary or long-term substitute teacher or in another position that would normally require the person to have a teaching certificate. The bill also allows a retiree to alter retirement benefits in the case of divorce in some situations.

Public Education Employee Retirement System (PEERS): Allows a retiree to alter retirement benefits in the case of divorce in some situations.

Kansas City Public School Retirement System (KCPSRS): Applies the 660-hour limitation to school employees who are receiving retirement benefits from KCPSRS who perform services for the Kansas City School District after retirement through a third party (such as a temporary work agency) or as an independent contractor.

Public School Retirement System of the City of St. Louis: Changes the employee contribution into the St. Louis School District retirement system and the calculation of the retirement benefit for employees who were hired for the first time on or after January 1, 2018.

Signed 7/11/17.

Labor

Right-To-Work (SB 19): Prohibits employers from requiring employees as a condition of employment to become, remain, or refrain from becoming a member of a union, pay dues to a union, or make any payments in lieu of paying dues to a union. *Signed 2/6/17.*

Project Labor Agreements (SB 182): Repeals statutes that authorized the state or political subdivisions to enter into project labor agreements, where construction contractors must use union labor. It also prohibits the state or political subdivisions from discriminating against, encouraging, or giving preferential treatment to bidders, offerors, contractors, or subcontractors who use union labor. *Signed 5/30/17.*

Miscellaneous

Adult High School (HB 93): Directs DESE to authorize a Missouri-based non-profit organization to establish and operate four adult high schools located in St. Louis City, Butler County or neighboring counties, Greene County or neighboring counties, and Boone County or neighboring counties. Any person who is 21 years or older and who has not earned a high school diploma may enroll in the adult high school. The adult high school will not receive K-12 state aid funding and will not receive local K-12 funding, but DESE will establish criteria for a diploma. *Signed 7/5/17.*

Misuse of Herbicides Penalty (HB 662): If a person knowingly misuses a herbicide and it comes into contact with another person or property and causes damage, the person may be assessed a penalty by the Department of Agriculture and must pay the penalty to the school district in which the violation occurred. *Signed 3/31/17.*

REAL ID (HB 151): In addition to changing Missouri law to comply with federal law regarding driver's license identification, this bill includes a prohibition that no political subdivision (including school districts) can use, collect, obtain, share, or retain radio frequency identification data from a REAL ID driver's license or identification card or use that information to identify an individual. *Signed 6/12/17.*