



## Missouri Capitol Report March 26, 2021

**Weekly Overview:** The House and Senate worked diligently this week after returning from their legislative spring break. There are seven weeks remaining in the 2021 legislative session and a number of high priority issues remain as unfinished business.

This week the Senate tackled a police reform bill that created a crime of doxing a police officer. The bill also bans chokeholds and removes residency requirements for officers working in Kansas City. The Senate also worked on a bill that would limit the authority of local officials to address public health emergencies. The bill sponsored by Sen. Bob Onder (R-St. Charles) was debated for eight hours on Wednesday. No compromise could be found and the bill was defeated by a bi-partisan vote of 11-19. This was the second major priority of the Senate's Conservative Caucus that has been defeated on a perfection vote.

The House worked a number of bills this week, with the bulk completed on Thursday when the House Budget Committee finished its work on the budget bills. The House is expected to finish its version of the state's \$34.7 billion budget and send it to the Senate next week. This will give the Senate only five weeks to work out compromises on the budget before the constitutional deadline of May 7<sup>th</sup> for budget finalization.

### ***In the news...***

- This week former Governor Eric Greitens and Missouri Attorney General Eric Schmitt formally announced their intentions to run to replace U. S. Senator Roy Blunt who is not seeking re-election next year. Missouri Lt. Governor Mike Kehoe and Missouri Secretary of State Jay Ashcroft have announced that they will not seek the nomination.
- In a mark-up session by the House Budget Committee on Thursday, committee members defeated HB 20, the separate appropriation bill dedicated to fund Medicaid expansion. Last August, voters approved a measure that would expand Medicaid coverage to approximately 275,000 additional Missourians with household incomes below 138% of the poverty guidelines. As proposed, HB 20 would have budgeted approximately 1.9 billion in state and federal monies to pay for the expansion. The bill was rejected by a vote of 9-20 along party lines. Republicans argued that the State simply cannot afford the price tag associated with expansion while Democrats argue that the State will save money in the long run by covering more individuals. It is expected that House Budget Chairman

Cody Smith (R-Carthage) will introduce another Medicaid-specific funding bill next week.

- After narrowly passing in the House, the Senate Education Committee conducted a hearing this week on HB 349, sponsored by Rep. Phil Christofanelli (R-St. Peters). The bill would establish education savings accounts (ESAs) and allow taxpayers to claim a tax credit of up to 50% of their tax liability for contributions to educational assistance programs. Money contributed would be pooled in ESAs and used for tuition, books and other educational services. Proponents argue that ESAs will provide school choice for students while opponents argue that the bill will harm public schools by drawing students away from those traditional schools. The committee will likely take a vote on the bill next week. This bill is a high priority for House Speaker Rob Vescovo and Senate Majority Leader Caleb Rowden.
- Ameren received regulatory approval Wednesday to build its largest solar energy facility yet. As proposed last year, the utility plans to build a 6-megawatt solar facility in Montgomery County, along Interstate 70 about halfway between St. Louis and Columbia. The St. Louis-based energy company said construction is expected to begin this summer and finish by the end of the year. The facility is part of the company's community solar program, which gives customers the option to pay an extra fee for "blocks" of solar energy offsets.
- Missouri Senate leadership pulled a bill [vital for funding the state's Medicaid program](#) from floor debate Tuesday after adopting an amendment barring the use of public money for common contraceptive treatments. The amendment, sponsored by Republican Sen. Paul Wieland, could endanger the state's entire Medicaid program by eliminating a health care service [required by federal law](#), said Senate Minority Leader John Rizzo, D-Independence. "I would say on its face that is why the bill got laid over immediately and the panic button was hit because it put us out of compliance in those regards," Rizzo said. Wieland said in an interview that he doesn't intend to dismantle the Medicaid program but he wants to extend a current ban on using public funds for abortions. "My intent was not to deny Medicaid recipients birth control," Wieland said. "My intent was to prevent the state of Missouri from paying for abortions."

**BUDGET UPDATE:** This week the House Committee on Budget finished crafting their version of the FY2022 budget. After a more than eight hour hearing Thursday the mark-up process ended. In a move that surprised some, HB 20, which contained all the funding and language for the expansion of Medicaid was soundly defeated 9-20 along party lines. Chairman Smith intends to file another bill HB 21 which will include partial funding for the Medicaid expansion ramp-up but will ultimately use less general revenue. Also contained within HB 21 will be rate increases for Medicaid providers as there has now been clear direction from the federal government regarding the enhanced FMAP money and the eligible use of CRF funds. Beyond the failure to fund Medicaid expansion, there

were no significant changes made to the original budget bills, although major changes are expected to occur on the floor. The full House will begin debating the various budget bills, including the Supplemental budget, on Tuesday of next week and a six hour time limit has been imposed with three hours for Democrats and three hours for Republicans.

**WORKFORCE DIPLOMA PROGRAM:** This week the House took up and Perfected HCS HB 733, sponsored by Rep. Jon Patterson (R-Lee's Summit). This bill establishes the "Workforce Diploma Program". Before August 16, 2022, and annually thereafter, the Department of Elementary and Secondary Education (DESE) must submit a request for interested program providers for the program. An approved program provider must meet a list of qualifications, including but not limited to being an accredited high school diploma-granting entity and having a minimum of two years' experience providing adult dropout recovery services. The full bill summary may be found here: [HB 733](#)

The following amendments were adopted during Perfection:

- Changed the title to Workforce Development,
- Removed the requirement of on-site daycare for adult high schools and modified language for innovation waivers, and,
- Added HB 896 regarding career and technical education.

It is expected this bill will be Third Read and Passed next week.

**REWARDING WORKFORCE READINESS ACT:** On Monday, the House Committee on Higher Education conducted a public hearing on HB 1346, sponsored by Rep. Mike Henderson (R-Bonne Terre). This bill creates the "Rewarding Workforce Readiness in Institutions of Higher Education Act" which provides a new funding mechanism for public two year and four year colleges and universities based on the calculations of earnings for graduates of these institutions. The full bill summary may be found here: [HB 1346](#)

The sponsor told the committee that he is seeking a solution to the crushing student loan debt problem and said that 60% of students in Missouri are using some kind of Pell Grant. He also stated that there would be a seven year phase-in to allow for universities and colleges time to make adjustments.

Committee members expressed concern that colleges and universities, such as Lincoln University and Missouri Western University, which have open enrollment would be negatively impacted by this legislation. Members also expressed concern that this legislation pigeonholes students into certain professions based on mathematical equations.

Testifying in support were representatives from Cicero Systems who stated that this bill seeks to reward colleges and universities that contribute to the state workforce in an

impactful way. It was also stated that this bill allows for a separate formula for low-income students who enroll in higher education or trade programs.

Testifying in opposition was a representative from COPHE who said that this legislation is designed to steer students toward bachelor degrees rather than associate and trade programs. It was also stated that this legislation encourages government to direct student career choices. Finally, it was noted that there are huge holes in the state's ability to track graduate income levels as there are many sectors which are not in the unemployment database.

The committee took no further action on the measure.

**MISSOURI EMPOWERMENT SCHOLARSHIP ACCOUNTS PROGRAM:** On Tuesday, the Senate Committee on Education conducted a public hearing on HCS HB 349, sponsored by Rep. Phil Christofanelli (R-St. Peters). This bill creates the "Missouri Empowerment Scholarship Accounts Program" and specifies that any taxpayer may claim a tax credit, not to exceed 50% of the taxpayer's state tax liability, for any qualifying contribution to an educational assistance organization. The cumulative amount of tax credits issued in any one calendar year begins at 50 million and may be adjusted by the state treasurer annually based upon inflation with a maximum cap of 75 million. The State Treasurer will establish procedures for tax credits to be awarded to an educational assistance organization (EAO) on a first come first served basis, and if an EAO fails to use allocated credits the State Treasurer may reallocate credits to ensure that taxpayers may claim all available credits annually. Taxpayers making contributions may not designate the student that receives a scholarship, and EAO's shall meet certain requirements and provide specified information during an annual audit. The full bill summary may be found here: [HB 349](#)

Testifying in support were representatives from Summer Christian Academy, Carmen Schultz and Associates, Discovery Schools, Summit Christian Academy, Missouri Catholic Conference, Missouri Chamber of Commerce and Industry, and several private citizens. Supporters said that the bill provides for greater school choice and contributes to greater academic achievement.

Testifying in opposition were representatives from Missouri School Board Association, American Federation of Teachers, Missouri NEA, Missouri Association of School Administrators. Opponents argued that the bill would harm traditional public schools who do a good job educating young people.

The committee took no further action on the measure.

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