GOVERNOR OF MISSOURI

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TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 42, entitled:

AN ACT

To repeal sections 163.011 and 163.031 as enacted by house bill no. 1689, ninety-seventh general assembly, second regular session, and sections 160.011, 160.400, 160.403, 160.405, 160.410, 160.415, 160.417, 160.425, 162.081, 162.1250. 163.018, 163.036, 167.121, 167.131, 171.031, and 210.861, RSMo, and to enact in lieu thereof fifty-one new sections relating to elementary and secondary education, with an emergency clause.

I disapprove of Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 42 (House Bill No. 42). My reasons for disapproval are as follows:

In its original form, House Bill No. 42 focused on attempting to solve the well-known problems of Missouri's existing student transfer law, and address several major difficulties that plagued last year's attempt at a legislative solution. However, as the legislative process unfolded, House Bill No. 42 mandated expensive educational experiments, neglected accountability, and evaded the major, underlying difficulties in the transfer law. The unacceptable results are that House Bill No. 42, in its final form, introduces private vouchers without meaningful oversight, builds a larger, more expensive, and unnecessary bureaucracy, and imposes gratuitous requirements and restrictions on local schools. It does so, while once again failing to find fair solutions for children attending school in any of Missouri's unaccredited districts. As such, House Bill No. 42 cannot become law.

**Vouchers for virtual schools**

House Bill No. 42 would require taxpayers to pay for private vouchers for virtual education. I have been resolute in my opposition to the use of public funds to pay for private education, and this bill is no exception. Moreover, House Bill No. 42 would authorize the expansion of virtual schools far beyond what is necessary to solve the existing transfer problem. Indeed, this bill would require taxpayers to foot the bill for vouchers for virtual education in the St. Louis Public Schools, any school district in Jackson County, and any school district in St. Louis County, regardless of their accreditation status. Taxpayers in these school districts, many of which

include some of Missouri's highest performing schools, would be obligated to pay the tuition for virtual schools chosen by parents/students, without accountability for student performance being imposed on the virtual programs themselves.

The broad expansion of virtual schools contemplated by House Bill No. 42 is a dramatic departure from the responsible manner in which virtual education is currently offered in Missouri through the Missouri Virtual Instruction Program (MoVIP) or through virtual education courses offered by local districts. In both cases, there is considerable public oversight of the courses, either through the State Board of Education or locally elected school boards, assuring a level of quality that taxpayers should demand. Such oversight is nowhere to be found in the virtual school voucher system that House Bill No. 42 would seek to introduce. Regardless of how poorly a student may perform in the virtual courses authorized by House Bill No. 42, taxpayers of that school district would be forced to pay for that student's continued enrollment. On top of this, House Bill No. 42 could greatly increase the cost of virtual education. Currently, a full-time year of courses through MoVIP costs $3,600 per student. However, a similar schedule of potential House Bill No. 42 virtual courses could cost more than $6,000 per student. Thus, under House Bill No. 42, private vendors can reap greater profits underwritten by Missouri taxpayers without any assurance that the students in these courses receive a high-quality education.

**Expensive mandates and a bigger bureaucracy**

House Bill No. 42 is crammed full of new committees, special task forces, bureaucratic agencies, and idiosyncratic mandates that are unnecessary, unproven and expensive. Consider that the bill would create from whole cloth three new "educational authorities" to oversee student transfers. This bill also would impose a host of new mandatory obligations on local schools.

The legislature obviously recognized that the multitude of House Bill No. 42 dictates would be costly. Consequently, it found it necessary to create a grand total of ten new funds: the "Missouri Charter Public School Commission Revolving Fund;" the "Supplemental Tuition Fund;" the "School District Improvement Fund;" the "Student Transfer Transportation Fund;" the "St. Louis Area Education Authority Fund;" the "Kansas City Area Education Authority Fund;" the "Statewide Education Authority Fund;" the "Extended Learning Time Fund;" the "Parent Portal Fund" and the "Reclamation and Demolition Fund." The nominal existence of these funds belies their actual value; although ten new funds were created, not a single dollar was appropriated to any of them. If funds were to be appropriated at some later date, it would siphon financial resources away from K-12 education statewide.

**Failure to include a tuition cap**

The failure to provide for a reasonable limit on the tuition that can be charged by a school district receiving transfer students would result in House Bill No. 42 draining resources from the schools that are struggling the most. These districts cannot improve the education of the children who choose to remain in their districts if they are forced to pay tuition rates for students who transfer that greatly exceed what the school district expends in funding on a per student basis, in addition to the costs of busing the students to receiving districts many miles away.

The legislature's unwillingness to establish reasonable tuition costs for sending and receiving districts evades fundamental issues of access and fairness. The lack of a tuition cap would

exacerbate the already severe budgetary challenges currently faced by the Normandy Schools Cooperative and Riverview Gardens school districts for the 2015-2016 school year.

Consider that last year, receiving districts charged the two unaccredited sending districts tuition amounts as high as $20,000 per student, greatly exceeding what these sending districts expended on students in their own schools. As a result, Normandy laid off more than 100 teachers and staff members in order to afford the cost of transfers; both unaccredited districts struggled financially. The absence of a tuition cap would perpetuate budgetary strain and uncertainty, and would not serve the best interests of Missouri's children or its taxpayers. Reasonable tuition rates are necessary for unaccredited districts to be able to improve student performance while remaining financially viable.

**Denying hundreds of current transfer students the right to continue in their current schools**

Rather than establishing a tuition cap, House Bill No. 42 would try to reduce the costs of transfers by denying hundreds of current transfer students their legal right to continue being educated in the receiving districts. Under this bill, students who transferred from Normandy and Riverview Gardens during the 2013-14 or 2014-15 school years, but who did not attend a public school in those districts for the semester prior to the transfer, would be denied the opportunity to continue receiving an education in their new school.

If House Bill No. 42 were to become law, these students – a group that includes new residents as well as those who may have attended private schools – would not be permitted to transfer for the 2015-16 school year. Instead, the legislature would require them first to attend school for a semester in the unaccredited districts, trapping them in exactly the school setting this legislation is intended to avoid.

Sending these students back to unaccredited districts would be disruptive and counterproductive. Families should not be penalized simply for pursuing the transfer opportunities that Missouri law has provided them. Furthermore, the continuity of strong relationships with teachers, administrators, coaches, classmates and parents plays a major role in helping sustain students' academic progress and social development.

House Bill No. 42's attempt to control tuition and transportation costs by denying continuing transfer status to current students who did not attend their home school in the unaccredited district for a semester would put them at risk of losing ground both academically and developmentally.

Rather than solving the problems with Missouri's current school transfer law, House Bill No. 42 exacerbates them. Consequently, it should not become law.

In accordance with the above stated reasons for disapproval, I am returning Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 42 without my approval.

Respectfully submitted,

Jeremiah W. (Jay) Nixon
Governor