

WEEKLY CAPITOL UPDATE

BUDGET CLEARS SENATE, HEADS TO FINAL NEGOTIATIONS

The Senate approved its version of the \$28 billion state operating budget for the upcoming 2019 fiscal year. Negotiators from both the Senate and House of Representatives will now begin hammering out the final versions of the 13 appropriations bills that make up the operating budget. The bills must win final passage by a May 11 constitutional deadline.

A key difference between the House and Senate versions involves how each allocates funding for local public schools. While the House approved the \$98 million increase the state's education funding distribution law says is necessary to claim "full funding" of K-12 schools, the Senate trimmed that increase to \$48 million. The Senate redirected \$25 million of the difference to provide more funding for student transportation costs than the House had proposed.

Like the House, the Senate refused to go along with Gov Greitens' proposal to slash an additional \$68 million in funding for public colleges and universities, which have already endured deep spending reductions in recent years. However, the Senate did make some changes to how the money would be allocated; creating differences that will have to be worked out in final negotiations. Although colleges and universities wouldn't get less than they are slated to actually receive this year, the Chambers are making permanent a \$36 million cut Greitens unilaterally made to higher education spending for the current fiscal year.

Lawmakers have struggled to sufficiently fund basic state government operations in recent years due in large part to numerous tax cuts the Republican legislative majority have enacted over the last decade. Legislation cutting the state income tax passed in 2014 is estimated to cost the state \$240 million in lost revenue in FY 2019. That measure is being phased-in over several years and will further reduce state revenue collections in upcoming years. Despite the fiscal impact of this and other tax cuts already enacted, both chambers have voted for even bigger tax cuts this year, but none has yet advanced to final passage.

SENATE PUTS FATE OF STATE SCHOOL BOARD PICKS IN DOUBT

After just 20 minutes of debate, the Senate Leader pulled from consideration the confirmation of a Missouri State Board of Education nominee who voted in December to fire the state's popular and respected K-12 education. The Senate debate was seen as a test vote on whether any of Gov Greitens' five nominees for the state school board will be confirmed amid opposition to their dismissal of former education commissioner Margie Vandeven without explanation or justification. The stalled nominee is Eddy Justice of Poplar Bluff, a longtime Republican political operative. If the Senate doesn't confirm Justice or the others before session ends on May 18 and also doesn't allow

Greitens to withdraw them, under the Missouri Constitution they would be banned for life from ever serving on the board again.

Starting last summer Greitens appointed a total of 10 people before he was able to fill five vacant seats with board members willing to fire Vandeven. Some of the appointees resigned or were removed by Greitens for refusing to go along with her dismissal, which proved deeply unpopular among both educators and lawmakers. Greitens has yet to explain why he wanted Vandeven gone.

Because the Senate wasn't in session at the time, Greitens' appointees were able to begin serving immediately and vote to remove Vandeven, but they faced confirmation within 30 days of the start of the 2018 legislative session in January. To buy more time, Greitens pulled all five nominations just before session convened and reappointed them once session was underway.

While the move gave the Senate until session ends to confirm Greitens' picks, it also left the state school board with just three remaining members since nominees appointed while the legislature is in session can't serve until confirmed. Because it is one member short of a quorum, the board has been unable to conduct business since January.

If the Senate doesn't confirm any of Greitens current picks, he will be able to appoint interim board members in June who would be allowed to serve immediately. However, they too would face Senate confirmation, and possible rejection, in January 2019.

HOUSE PANEL MOVES FOR EARLIER VOTE ON RIGHT-TO-WORK

The House Economic Development Committee voted 8-4 for a resolution seeking to move a statewide vote on so-called "right-to-work" legislation currently scheduled for the Nov 6 general election ballot to the Aug 7 primary ballot. The resolution still has to clear the full House of Representatives, as well as the Senate, in order to reschedule the election.

The right-to-work measure seeks to make it a crime punishable by jail time for employers to negotiate labor contracts that require all workers covered by the contract to pay dues for the union representation they receive, currently a common practice. The Republican-controlled General Assembly enacted the measure, Senate Bill 19, early in the 2017 legislative session and Gov Eric Greitens quickly signed it into law.

However, right-to-work opponents mounted a rarely used referendum petition drive to force SB 19, now known as Proposition A, onto the statewide ballot and prevent it from taking effect as scheduled last summer. Measures placed before voters via referendum petition automatically go on the next November general election ballot, but lawmakers can set an earlier special election if they choose. Lawmakers did just that the last time a referendum petition was used to force a vote on a legislative act in 1982, moving up the election from November to April.

Because labor voters, a key Democratic constituency, are expected to turn out in high numbers to defeat right-to-work, some Republican lawmakers fear Proposition A could cause collateral damage in state legislative races if it remains on the general election ballot. Moving Proposition A to August, the thinking goes, could minimize the potential electoral fallout for Republicans.

PROSECUTOR CHARGES GREITENS WITH ANOTHER FELONY

The St. Louis Circuit Attorney's Office on April 20 filed a felony count of tampering with computer data against Republican Gov. Eric Greitens. The charge, which essentially is electronic theft, is based on allegations that Greitens stole the donor list from the charity he founded and used it to raise money for his gubernatorial campaign.

St. Louis prosecutors filed the charge three days after Attorney General Josh Hawley, also a Republican, announced that an investigation by his office had uncovered evidence Greitens committed a crime by taking the donor list from The Mission Continues, a charity for assisting military veterans. Hawley turned his evidence over to local prosecutors because his office lacks the authority to independently prosecute the case. Greitens now stands charged with two unrelated felonies. He is scheduled to go to trial on May 14 on the first charge, first degree invasion of privacy.

Amid the governor's criminal problems, a special investigative committee in the House of Representatives continues gathering evidence for what could lead to articles of impeachment against Greitens. The committee has hired former Missouri Supreme Court Judge Chip Robertson to assist in the investigation. Robertson was appointed to the state high court by Republican Gov. John Ashcroft in 1985 and served on the bench until 1998. Robertson was on the court when it presided over the impeachment trial of Secretary of State Judi Moriarty in 1994. In that case, the court found Moriarty guilty and removed her from office.