Journal of the Senate

FIRST REGULAR SESSION

FIFTY-FIRST DAY—WEDNESDAY, APRIL 13, 2011

The Senate met pursuant to adjournment.

President Kinder in the Chair.

Reverend Carl Gauck offered the following prayer:

"The Lord is in his holy temple; let all the earth keep silent before him." (Habakkuk 2:20)

Holy God, we are silent before You as we pray and seek to listen to Your voice and not ours. So speak to us that we might be bold in our living as Your servants here in the Senate as well as at home. In this difficult time, watch over us and lead us back to Your throne to find our peace in You. In Your Holy Name we pray. Amen.

The Pledge of Allegiance to the Flag was recited.

A quorum being established, the Senate proceeded with its business.

The Journal of the previous day was read and approved.

Senator Dempsey announced that photographers from <u>Missouri News Horizon</u> were given permission to take pictures in the Senate Chamber today.

The following Senators were present during the day's proceedings:

Present—Senators							
Brown	Callahan	Chappelle-Nadal	Crowell	Cunningham	Curls	Dempsey	Dixon
Engler	Goodman	Green	Justus	Keaveny	Kehoe	Kraus	Lager
Lamping	Lembke	Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce
Purgason	Richard	Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Stouffer
Wasson	Wright-Jones—34						

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The Lieutenant Governor was present.

RESOLUTIONS

Senator Engler offered Senate Resolution No. 746, regarding Nickolyn Sue Russell, which was adopted.

Senator Engler offered Senate Resolution No. 747, regarding Sandra S. Sonnenburg, which was adopted.

Senator Engler offered Senate Resolution No. 748, regarding Kathleen McCrady, which was adopted.

Senator Engler offered Senate Resolution No. 749, regarding Beth A. Yancey, which was adopted.

Senator Engler offered Senate Resolution No. 750, regarding Pamela Sumpter, which was adopted.

Senator Engler offered Senate Resolution No. 751, regarding Kristi Wakefield, which was adopted.

Senator Engler offered Senate Resolution No. 752, regarding Kelly Beth Skaggs Gray, which was adopted.

Senator Engler offered Senate Resolution No. 753, regarding Larry Keith Crowfoot Swearingen, which was adopted.

Senator Schaaf offered Senate Resolution No. 754, regarding Lori L. Miller, Kansas City, which was adopted.

REPORTS OF STANDING COMMITTEES

Senator Dempsey, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, submitted the following report:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **SCS** for **SB 230**, begs leave to report that it has examined the same and finds that the bill has been truly perfected and that the printed copies furnished the Senators are correct.

SENATE BILLS FOR PERFECTION

Senator Lamping moved that **SB 320**, with **SCS** and **SS** for **SCS** (pending), be called from the Informal Calendar and again taken up for perfection, which motion prevailed.

At the request of Senator Lamping, SS for SCS for SB 320 was withdrawn.

Senator Lamping offered SS No. 2 for SCS for SB 320, entitled:

SENATE SUBSTITUTE NO. 2 FOR SENATE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 320

An Act to repeal sections 43.545, 211.031, 452.375, 455.010, 455.020, 455.027, 455.035, 455.038, 455.040, 455.050, 455.060, 455.085, 455.200, 455.501, 455.505, 455.513, 455.516, 455.520, 455.523, 455.538, 455.540, 455.543, 527.290, 565.074, 589.683, 595.100, and 595.220, RSMo, and to enact in lieu thereof twenty-seven new sections relating to domestic violence, with penalty provisions.

Senator Lamping moved that SS No. 2 for SCS for SB 320 be adopted, which motion prevailed.

On motion of Senator Lamping, SS No. 2 for SCS for SB 320 was declared perfected and ordered printed.

President Pro Tem Mayer assumed the Chair.

SIGNING OF BILLS

The President Pro Tem announced that all other business would be suspended and **SS** for **SCS** for **HCS** for **HB 163**, having passed both branches of the General Assembly, would be read at length by the Secretary, and if no objections be made, the bill would be signed by the President Pro Tem to the end that it may become law. No objections being made, the bill was so read by the Secretary and signed by the President Pro Tem.

President Kinder assumed the Chair.

SENATE BILLS FOR PERFECTION

Senator Pearce moved that **SB 247**, with **SS** (pending), be called from the Informal Calendar and again taken up for perfection, which motion prevailed.

SS for SB 247 was again taken up.

Senator Rupp assumed the Chair.

At the request of Senator Pearce, SB 247, with SS (pending), was placed on the Informal Calendar.

THIRD READING OF SENATE BILLS

SB 322, introduced by Senator Schaefer, entitled:

An Act to repeal sections 190.839, 198.439, 208.437, 208.480, 338.550, and 633.401, RSMo, and to enact in lieu thereof six new sections relating to certain provider taxes.

Was taken up.

On motion of Senator Schaefer, SB 322 was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Callahan	Crowell	Cunningham	Curls	Dempsey	Dixon	Goodman
Green	Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	Lembke
Mayer	McKenna	Munzlinger	Nieves	Parson	Pearce	Ridgeway	Rupp
Schaaf	Schaefer	Schmitt	Stouffer	Wasson	Wright-Jones—30		

NAYS—Senator Purgason—1

Absent—Senators

Chappelle-Nadal Engler Richard—3

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Schaefer, title to the bill was agreed to.

Senator Schaefer moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

REFERRALS

President Pro Tem Mayer referred **HCS** for **HCR 23** to the Committee on Rules, Joint Rules, Resolutions and Ethics.

On motion of Senator Dempsey, the Senate recessed until 3:00 p.m.

RECESS

The time of recess having expired, the Senate was called to order by Senator Pearce.

RESOLUTIONS

Senator Wright-Jones offered Senate Resolution No. 755, regarding Dahlia Ariel Dyson, O'Fallon, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 756, regarding Jamie Dorise Holman, St. Louis, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 757, regarding Amanda Holly Kennedy, Hillsboro, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 758, regarding Andrea Melissa Strebler, Fenton, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 759, regarding Taylor Lauren Wakeland, Fenton, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 760, regarding Rachel Ann Patrick, Arnold, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 761, regarding Jennifer Marie Frasch, O'Fallon, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 762, regarding Andrea Rae Patrick, Arnold, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 763, regarding Elizabeth Anne Modde, Kirkwood, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 764, regarding Emily Rose Meiron, Wildwood, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 765, regarding Nicole Lynn Aronoff, St. Louis, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 766, regarding Amanda Marie Carlson, St. Charles, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 767, regarding Kyara Dia'u Story, Florissant, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 768, regarding Sydney Ann Becker, Ellisville, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 769, regarding Madeline Elizabeth Bowers, St. Louis, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 770, regarding Kimberly Elizabeth Butler, Ellisville, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 771, regarding Molly Elizabeth Flood, St. Louis, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 772, regarding Samantha Leigh Halfmann, St. Louis, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 773, regarding Courtney Marissa Haring, Kirkwood, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 774, regarding Jennifer Lunceford, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 775, regarding Nicolas Schmidt, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 776, regarding Sarah Harrington, which was adopted.

Senator Wright-Jones offered Senate Resolution No. 777, regarding Xavier duMaine, which was adopted.

Senator Goodman offered Senate Resolution No. 778, regarding the 4-H Bit by Bit competitive robotics team, Aurora, which was adopted.

Senator Rupp offered Senate Resolution No. 779, regarding the Sixtieth Wedding Anniversary of Mr. and Mrs. Dale Manies, St. Charles, which was adopted.

HOUSE BILLS ON THIRD READING

Senator Rupp moved that **HCS** for **HB 193** be called from the Informal Calendar and again taken up for 3rd reading and final passage, which motion prevailed.

Senator Rupp offered **SS** for **HCS** for **HB 193**, entitled:

SENATE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 193

An Act to repeal sections 128.345, 128.346, and 128.348, RSMo, and to enact in lieu thereof eleven new sections relating to the composition of congressional districts.

Senator Rupp moved that SS for HCS for HB 193 be adopted, which motion prevailed.

Senator Rupp moved that **SS** for **HCS** for **HB 193** be read the 3rd time and passed.

PRIVILEGED MOTIONS

Having voted on the prevailing side, Senator Schaaf moved that the vote by which **SS** for **HCS** for **HB 193** was adopted be reconsidered, which motion failed by the following vote:

	YEAS—Senators									
	Chappelle-Nadal	Cunningham	Keaveny	McKenna	Munzlinger	Purgason	Schaaf	Schmitt		
	Stouffer	Wright-Jones—1	0							
NAYS—Senators										
	Brown	Callahan	Crowell	Curls	Dempsey	Dixon	Engler	Goodman		
	Justus	Kehoe	Kraus	Lager	Lembke	Mayer	Nieves	Parson		
	Pearce	Richard	Ridgeway	Rupp	Schaefer	Wasson—22				
	Absent—Senator Lamping—1									
	Absent with leave—Senator Green—1									
	Vacancies—	-None								

At the request of Senator Rupp, SS for HCS for HB 193 was placed on the Informal Calendar.

SENATE BILLS FOR PERFECTION

Senator Pearce moved that **SB 291**, **SB 184** and **SB 294**, with **SCS** (pending), be called from the Informal Calendar and again taken up for perfection, which motion prevailed.

SCS for SBs 291, 184 and 294 was again taken up.

Senator Kraus offered SA 1, which was read:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for Senate Bills Nos. 291, 184 and 294, Page 5, Section 160.400, Line 133, by inserting after all of said line the following:

"17. When a charter school closes, the sponsor shall ensure that any remaining cash assets of the charter school shall be returned to the department of elementary and secondary education for their disposition.".

Senator Kraus moved that the above amendment be adopted, which motion prevailed.

Senator Lembke offered **SA 2**:

SENATE AMENDMENT NO. 2

Amend Senate Committee Substitute for Senate Bills Nos. 291, 184 and 294, Page 21, Section 160.539, Line 28, by inserting after all of said line the following:

- "Section 1.1. Any school district that owns school buildings that have been vacant or unused for classroom instruction for two consecutive school years shall sell such buildings under the provisions of chapter 177 or make them available for use by any charter school free of any rent or lease charge. Any charter school that uses such buildings shall be responsible for paying any maintenance, upkeep, repairs, and any charges associated with the provision of any public utility service to such building.
- 2. The terms of any sale under this section shall not include a restriction in the deed that would prohibit use of the facilities for educational purposes."; and

Further amend the title and enacting clause accordingly.

Senator Lembke moved that the above amendment be adopted.

Senator Pearce offered **SA 1** to **SA 2**, which was read:

SENATE AMENDMENT NO. 1 TO SENATE AMENDMENT NO. 2

Amend Senate Amendment No. 2 to Senate Committee Substitute for Senate Bills Nos. 291, 184 and 294, Page 1, Section 1, Line 5, by striking the word "shall" and inserting in lieu thereof the word "may".

Senator Pearce moved that the above amendment be adopted.

At the request of Senator Pearce, SA 1 to SA 2 was withdrawn.

At the request of Senator Lembke, SA 2 was withdrawn.

Senator Cunningham offered **SA 3**:

SENATE AMENDMENT NO. 3

Amend Senate Committee Substitute for Senate Bills Nos. 291, 184 and 294, Page 1, Section A, Line 4, by inserting immediately after said line the following:

"29.205. Notwithstanding any provision of law to the contrary, the state auditor shall have the power to audit any school district **or charter school** within the state in the same manner as the auditor may audit any agency of the state."; and

Further amend the title and enacting clause accordingly.

Senator Cunningham moved that the above amendment be adopted, which motion prevailed.

Senator Cunningham offered **SA 4**:

SENATE AMENDMENT NO. 4

Amend Senate Committee Substitute for Senate Bills Nos. 291, 184 and 294, Pages 1-5, Section 160.400, by striking all of said section and inserting in lieu thereof the following:

"160.400. 1. A charter school is an independent public school.

- 2. Except as further provided in subsection 4 of this section, charter schools may be operated only:
- (1) In a metropolitan school district [or];
- (2) In an urban school district containing most or all of a city with a population greater than three hundred fifty thousand inhabitants [and may be sponsored by any of the following];
 - (3) In a school district that has been declared unaccredited;
 - (4) In a provisionally accredited school district under the following conditions:
- (a) A school district is first eligible for charter schools after three consecutive full school years in provisionally accredited status;
- (b) The eligibility for charter schools of any school district whose provisional accreditation is based in whole or in part on financial stress as defined in sections 161.520 to 161.529 or on financial hardship as defined by rule of the state board of education shall be decided by a vote of the state

board of education during the third consecutive school year after the designation of provisional accreditation; and

- (c) The sponsor is limited to the local school board or a sponsor who has met standards of accountability and performance in its sponsorship of other charter schools as determined by rule of the state board of education;
- (5) In a school district that has been accredited without provisions, sponsored only by the local school board; and
- (6) In any school district which for any three years since its previous accreditation classification by the state board of education has obtained a score on its annual performance review consistent with the classification of provisionally accredited or unaccredited.
- 3. Except as further provided in subsection 4 of this section, the following entities are eligible to sponsor charter schools:
- (1) The school board of the district in any district which is sponsoring a charter school as of August 27, 2011, as permitted under subdivision (1) of subsection 2 of section 160.400;
- (2) A public four-year college or university [with its primary campus in the school district or in a county adjacent to the county in which the district is located,] with an approved teacher education program that meets regional or national standards of accreditation;
- (3) A community college [located in], the service area of which encompasses some portion of the district; [or]
- (4) Any private four-year college or university [located in a city not within a county] with an enrollment of at least one thousand students, with its primary campus in Missouri, and with an approved teacher preparation program;
- (5) Any two-year private vocational or technical school designated as a 501(c)(3) nonprofit organization under the Internal Revenue Code of 1986, as amended, which is a member of the North Central Association and accredited by the Higher Learning Commission, with its primary campus in Missouri;
 - (6) The Missouri charter public school commission created in section 160.425; or
- (7) A nonprofit or charitable organization excluding a nonpublic sectarian or religious institution which is exempt from federal taxation under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code of 1986, as amended, and is in compliance with the annual filing requirements of the secretary of state under section 355.011.
- 4. Changes in a school district's accreditation status that affect charter schools shall be addressed as follows, except for the districts described in subdivisions (1) and (2) of subsection 2 of this section:
- (1) As a district transitions from unaccredited to provisionally accredited, the district shall continue to fall under the requirements for an unaccredited district until it achieves three consecutive full school years of provisional accreditation;
- (2) A charter school in a district described in this subsection whose charter provides for the addition of grade levels in subsequent years may continue to add levels until the planned expansion is complete to the extent of grade levels in comparable schools of the district in which the school is

operated.

- [3.] **5.** The mayor of a city not within a county may request a sponsor under subdivision (2), (3), [or] (4), (5), (6) or (7) of subsection [2] **3** of this section to consider sponsoring a "workplace charter school", which is defined for purposes of sections 160.400 to [160.420] **160.425** as a charter school with the ability to target prospective students whose parent or parents are employed in a business district, as defined in the charter, which is located in the city.
- [4.] **6.** No sponsor shall receive from an applicant for a charter school any fee of any type for the consideration of a charter, nor may a sponsor condition its consideration of a charter on the promise of future payment of any kind.
- [5.] **7.** The charter school shall be **organized as** a Missouri nonprofit corporation incorporated pursuant to chapter 355. The charter provided for herein shall constitute a contract between the sponsor and the charter school.
- [6.] **8.** As a nonprofit corporation incorporated pursuant to chapter 355, the charter school shall select the method for election of officers pursuant to section 355.326 based on the class of corporation selected. Meetings of the governing board of the charter school shall be subject to the provisions of sections 610.010 to 610.030[, the open meetings law].
- [7.] **9.** A sponsor of a charter school, its agents and employees are not liable for any acts or omissions of a charter school that it sponsors, including acts or omissions relating to the charter submitted by the charter school, the operation of the charter school and the performance of the charter school.
- [8.] 10. A charter school may affiliate with a four-year college or university, including a private college or university, or a community college as otherwise specified in subsection [2] 3 of this section when its charter is granted by a sponsor other than such college, university or community college. Affiliation status recognizes a relationship between the charter school and the college or university for purposes of teacher training and staff development, curriculum and assessment development, use of physical facilities owned by or rented on behalf of the college or university, and other similar purposes. [The primary campus of the college or university must be located within the county in which the school district lies wherein the charter school is located or in a county adjacent to the county in which the district is located.] A university, college or community college may not charge or accept a fee for affiliation status.
- [9.] 11. The expenses associated with sponsorship of charter schools shall be defrayed by the department of elementary and secondary education retaining one and five-tenths percent of the amount of state and local funding allocated to the charter school under section 160.415, not to exceed one hundred twenty-five thousand dollars, adjusted for inflation. [Such amount shall not be withheld when the sponsor is a school district or the state board of education.] The department of elementary and secondary education shall remit the retained funds for each charter school to the school's sponsor, provided the sponsor remains in good standing by fulfilling its sponsorship obligations under sections 160.400 to [160.420] 160.425 and 167.349 with regard to each charter school it sponsors, including appropriate demonstration of the following:
- (1) Expends no less than ninety percent of its charter school sponsorship funds in support of its charter school sponsorship program, or as a direct investment in the sponsored schools;
- (2) Maintains a comprehensive application process that follows fair procedures and rigorous criteria and grants charters only to those developers who demonstrate strong capacity for establishing and operating

a quality charter school;

- (3) Negotiates contracts with charter schools that clearly articulate the rights and responsibilities of each party regarding school autonomy, expected outcomes, measures for evaluating success or failure, performance consequences, and other material terms;
- (4) Conducts contract oversight that evaluates performance, monitors compliance, informs intervention and renewal decisions, and ensures autonomy provided under applicable law; and
- (5) Designs and implements a transparent and rigorous process that uses comprehensive data to make merit-based renewal decisions.
- 12. Sponsors receiving funds under subsection 11 of this section shall be required to submit annual reports to the joint committee on education demonstrating the sponsors are in compliance with subsection 16 of this section.
- [10.] **13.** No university, college or community college shall grant a charter to a nonprofit corporation if an employee of the university, college or community college is a member of the corporation's board of directors.
- [11.] **14.** No sponsor shall grant a charter under sections 160.400 to [160.420] **160.425** and 167.349 without ensuring that a criminal background check and [child abuse] **family care safety** registry check are conducted for all members of the governing board of the charter schools or the incorporators of the charter school if initial directors are not named in the articles of incorporation, nor shall a sponsor renew a charter without ensuring a criminal background check and [child abuse] **family care safety** registry check are conducted for each member of the governing board of the charter school.
- [12.] **15.** No member of the governing board of a charter school shall hold any office or employment from the board or the charter school while serving as a member, nor shall the member have any substantial interest, as defined in section 105.450, in any entity employed by or contracting with the board. No board member shall be an employee of a company that provides substantial services to the charter school. All members of the governing board of the charter school shall be considered decision-making public servants as defined in section 105.450 for the purposes of the financial disclosure requirements contained in sections 105.485, 105.487, and 105.489.
- [13.] **16.** A sponsor shall provide timely submission to the state board of education of all data necessary to demonstrate that the sponsor is in material compliance with all requirements of sections 160.400 to [160.420] **160.425** and 167.349.
 - [14.] 17. A sponsor shall develop the policies and procedures for:
 - (1) The review of a charter school proposal;
 - (2) The granting of a charter;
- (3) The performance framework that the sponsor will use to evaluate the performance of charter schools;
 - (4) The sponsor's renewal, revocation, and nonrenewal processes;
 - (5) Additional criteria that the sponsor will use for ongoing oversight of the charter; and
 - (6) Procedures to be implemented if a charter school should close, including but not limited to:

- (a) A notification plan to inform parents or guardians of students, the local school district, the retirement system in which the charter school's employees participate, and the state board of education upon closure;
 - (b) The transfer or repository of student records upon closure;
 - (c) The transfer or repository of personnel records upon closure;
 - (d) The disposition of the charter school's assets upon closure.

The department shall provide guidance to sponsors in developing such policies and procedures.

- 18. The state board of education shall ensure each sponsor is in compliance with all requirements under sections 160.400 to [160.420] 160.425 and 167.349 for each charter school sponsored by any sponsor. The state board shall notify each sponsor of the standards for sponsorship of charter schools, delineating both what is mandated by statute and what best practices dictate. The state board, after a public hearing, may require remedial action for a sponsor that it finds has not fulfilled its obligations of sponsorship, such remedial actions including withholding the sponsor's funding and suspending [for a period of up to one year] the sponsor's authority to sponsor a school that it currently sponsors or to sponsor any additional school until the sponsor is reauthorized by the department of elementary and secondary education under section 160.403. If the state board removes the authority to sponsor a currently operating charter school pursuant to any provision of law, the state board shall become the interim sponsor of the school for a period of up to three years until the school finds a new sponsor or until the charter contract period lapses. During such time, if the charter school fails to meet academic performance or other goals as prescribed in the school's charter, the state board shall revoke the charter.
- 160.403. 1. The department of elementary and secondary education shall establish an annual application and approval process for all entities eligible to sponsor charters as set forth in section 160.400. No later than January 1, 2012, the department shall make available information and guidelines for all eligible sponsors concerning the opportunity to apply for sponsoring authority under this section.
- 2. The application process for sponsorship shall require each interested eligible sponsor to submit an application by April first that includes the following:
 - (1) Written notification of intent to serve as a charter sponsor in accordance with section 160.400;
 - (2) Evidence of the applicant sponsor's budget and personnel capacity;
- (3) An outline of the request for proposal that the applicant sponsor would, if approved as a charter sponsor, issue to solicit public charter school applicants consistent with sections 160.400 to 160.425;
- (4) The performance framework that the applicant sponsor would, if approved as a charter sponsor, use to guide the establishment of a charter contract and for ongoing oversight and a description of how it would evaluate the charter schools it sponsors; and
- (5) The applicant sponsor's renewal, revocation, and nonrenewal processes consistent with section 160.405.
- 3. By July first of each year, the department shall decide whether to grant or deny a sponsoring authority to a sponsor applicant. This decision shall be made based on the applicant charter's

compliance with sections 160.400 to 160.425 and any properly promulgated rules of the department.

- 4. Within thirty days of the department's decision, the department shall execute a renewable sponsoring contract with each entity it has approved as a sponsor. The term of each authorizing contract shall be ten years. An eligible sponsor which is not currently sponsoring a charter school upon the effective date of this section shall not commence charter sponsorship without approval from the department and a sponsor contract with the department in effect.
- 5. All entities sponsoring a charter school upon the effective date of this section shall apply to the department for approval to continue as a sponsor no later than April 1, 2012. By July 1, 2012, the department shall decide whether to grant the sponsor the authority to continue or deny such authority. Charter sponsors that are granted the authority to continue sponsorship by the department shall be granted such authority for a period of ten years. Charter sponsors that are denied the authority to continue as a sponsor shall lose the authority to continue as a sponsor immediately. The charter public school commission shall become the interim sponsor for a period of up to three years until the charter school finds a new sponsor or until the charter contract period lapses."; and

Further amend said bill, Page 5, Section 160.405, line 21, by striking the following: "An accountability plan" and inserting in lieu thereof the following: "A performance contract"; and

Further amend said bill and section, Page 6, Line 41, by inserting immediately after the word "settlements" the following: "and procedures that ensure admission of students with disabilities in a nondiscriminatory manner"; and further amend said line by striking the word "and"; and further amend lines 42 to 45, by striking all of said lines and inserting in lieu thereof the following:

- (7) A description of the charter school's grievance procedure for parents or guardians;
- (8) A description of the agreement between the charter school and the sponsor as to when a charter shall be revoked for failure to comply with subsection 8 of this section and when it will fail to be renewed under subsection 9 of this section;
- (9) Procedures to be implemented if the charter school should close, as provided in subdivision (4) of subsection 17 of section 160.400; and
- (10) A description of the special education and related services that will be available to meet the needs of students with disabilities"; and further amend lines 47 to 49, by striking all of said lines and inserting in lieu thereof the following:
- "(1) A charter shall be submitted to the sponsor, and follow the sponsor's policies and procedures for review and granting of a charter approval, and be approved by the state board by December first of the year prior to the proposed opening date of the charter school;"; and

Further amend said bill and section, Page 7, Lines 74 to 85 by striking all of said lines and inserting in lieu thereof the following: "reentry of dropouts into the school system. [If a sponsor grants three or more charters, at least one-third of the charters granted by the sponsor shall be to schools that actively recruit dropouts or high-risk students as their student body and address the needs of dropouts or high-risk students through their proposed mission, curriculum, teaching methods, and services.] For purposes of this subsection, a "high-risk" student is one who is at least one year behind in satisfactory completion of course work or obtaining [credits for graduation, pregnant or a parent, homeless or has been homeless sometime within the preceding six months, has limited English proficiency, has been suspended from school three or

more times, is eligible for free or reduced-price school lunch, or has been referred by the school district for enrollment in an alternative program] high school credits for graduation, has dropped out of school, is at risk of dropping out of school, needs drug and alcohol treatment, has severe behavioral problems, has been suspended from school three or more times, has a history of severe truancy, is a pregnant or parenting teen, has been referred for enrollment by the judicial system, is exiting incarceration, is a refugee, is homeless or has been homeless sometime within the preceding six months, has been referred by an area school district for enrollment in an alternative program, or qualifies as high risk under department of elementary and secondary education guidelines. "Dropout" shall be defined through the guidelines of the school core"; and

Further amend said bill and section, Page 8, Lines 114 to 130, by striking all of said lines and inserting in lieu thereof the following:

"(4) Be financially accountable, use practices consistent with the Missouri financial accounting manual, provide for an annual audit by a certified public accountant, publish audit reports and annual financial reports [as provided in chapter 165, RSMo, provided that the annual financial report may be published] on the charter school's internet website or on the department of elementary and secondary education's internet website [in addition to other publishing requirements], and provide liability insurance to indemnify the school, its board, staff and teachers against tort claims. A charter school that receives local educational agency status under subsection [6] 7 of this section shall meet the requirements imposed by the Elementary and Secondary Education Act for audits of such agencies. For purposes of an audit by petition under section 29.230, a charter school shall be treated as a political subdivision on the same terms and conditions as the school district in which it is located. For the purposes of securing such insurance, a charter school shall be eligible for the Missouri public entity risk management fund pursuant to section 537.700. A charter school that incurs debt [must] shall include a repayment plan in its financial plan;"; and

Further amend said bill and section, Page 9, Line 170, by striking "charter;" and inserting in lieu thereof the following: "charter. The performance standards for alternative and special purpose charter schools that target high-risk students as defined in subdivision (5) of subsection 2 of this section shall be based on academic growth measures;"; and

Further amend said bill and section, Page 10, Line 171, by inserting an opening bracket "["immediately before the word "assure"; and further amend line 172, by inserting immediately after the word "compliance" the following: "g comply"; and further amend said line by inserting immediately after the word "regulations" the following: "regarding students with disabilities including sections 162.670 to 162.710, the Individuals with Disabilities Education Act (20 U.S.C. 1400) and Section 504 of the Rehabilitation Act of 1973 (20 U.S.C. 794) or successor legislation"; and further amend line 183 by inserting immediately after the word "schools" the following: "including charter schools that offers a boarding program,"; and

Further amend said bill and section, Page 11, Lines 215 to 220 by striking all of said lines and inserting in lieu thereof the following: "status for no more than twelve months, provided that no more than one designation of probationary status will be allowed for the duration of the charter contract, at any time if the charter school commits a serious breach of one or more provisions of its charter or on any of the following grounds: failure to meet [academic performance standards] the performance contract as set forth in its charter, failure to meet generally accepted standards of fiscal management, failure to provide information necessary to confirm compliance with all provisions of the charter and sections 160.400 to

[160.420] **160.425** and 167.349 within forty-five days following receipt of written"; and further amend line 241, by inserting after "9." the following: "(1)"; and

Further amend said bill and section, Page 12, Line 244, by striking "160.420" and inserting in lieu thereof the following: "160.425"; and further amend line 246, by striking "160.420" and inserting in lieu thereof the following: "160.425"; and further amend line 247, by inserting after all of said line the following:

- "(2) (a) Beginning August first, during the year in which a charter is considered for renewal, a charter school sponsor shall demonstrate to the state board of education that the charter school is in compliance with federal and state laws on accountability; transparency; maintenance of parent, student, and employee rights; and performance of charter requirements. For all charter schools, the sponsor shall establish that the school is not among the lowest achieving five percent of Title I schools in corrective action or restructuring in any three of the last four years.
- (b) Along with data reflecting the academic performance standards indicated in paragraph (a) of this subdivision, the sponsor shall submit a revised charter application to the state board of education for review.
- (c) Using the data requested and the revised charter application under paragraphs (a) and (b) of this subdivision, the state board of education shall determine if compliance with all standards enumerated in this subdivision has been achieved. The state board of education at its next regularly scheduled meeting shall vote on the revised charter application.
- (d) If compliance with all standards has not been achieved, the charter school and its sponsor may file a statement no later than October thirty-first, stating the reasons why the charter school should not be closed. If no such statement is filed, the charter school shall cease operation at the end of the current academic year. If a statement is timely filed, the department of elementary and secondary education shall hold a public hearing no later than January tenth to determine if the charter should be renewed. The state board of education shall review the findings from the hearing and shall vote no later than February twenty-eighth to continue the operation of the charter school and may impose conditions on its continuing operation as specified in subdivision (1) of subsection 8 of this section, or to close the charter school at the end of the current academic year.
- 10. A charter school shall close at the end of the academic year if any of the following events take place:
 - (1) The charter is revoked by the state board of education under subsection 18 of section 160.400;
 - (2) The charter is revoked by the charter school's sponsor under subsection 8 of section 160.405;
- (3) The charter is not renewed under paragraph (b) of subdivision (2) of subsection 9 of section 160.405; or
- (4) The charter is voluntarily relinquished. The decision of the state board of education to revoke a charter under subsection 18 of section 160.400 or not to renew a charter under paragraph (b) of subdivision (2) of subsection 9 of this section shall be final."; and further amend said section by renumbering the remaining subsections accordingly; and

Further amend said bill, Page 13, Section 160.410, Line 11, by striking the word "and"; and further amend line 18, by inserting after "employers" the following: "; and

- (5) Nonresident pupils who reside in a district classified as unaccredited by the state board of education and who are eligible to attend a school in a district classified as accredited, without provision, by the state board of education in the same or an adjoining county under section 167.131."; and further amend lines 31 to 34, by striking said lines and inserting in lieu thereof the following:
- "(3) Charter alternative and special purpose schools may also give a preference for admission to high-risk students, as defined in subdivision (5) of subsection 2 of section 160.405, when the school targets these students through its proposed mission, curriculum, teaching methods, and services."; and further amend line 38 by inserting immediately after the following: "level." the following: "Students of a charter school that are present for the January membership count as defined in section 163.011 shall be counted in the performance of the charter school on the statewide assessments in that calendar year, unless otherwise exempted as English language learners."; and

Further amend said bill and section, Page 15, line 81, by striking the word "and"; and further amend lines 83-85, by striking all of said lines and inserting in lieu thereof the following: "members; and

(4) If a charter school is operated by a management company, a copy of the written contract between the governing board of the charter school and the educational management organization or the charter management organization for services.

The charter school may charge reasonable fees, not to exceed the rate specified in section 610.026, for furnishing copies of documents under this subsection.

- 6. When a student attending a charter school who is a resident of the school district in which the charter school is located moves out of the boundaries of such school district, the student may complete the current semester and shall be considered a resident student. The student's parent or legal guardian shall be responsible for the student's transportation to and from the charter school.
- 7. If a change in school district boundary lines occurs under section 162.223, 162.431, 162.441, or 162.451, or by action of the state board of education under section 162.081, including attachment of a school district's territory to another district or dissolution, such that a student attending a charter school prior to such change no longer resides in a school district in which the charter school is located, then the student may complete the current academic year at the charter school. The student shall be considered a resident student. The student's parent or legal guardian shall be responsible for the student's transportation to and from the charter school.
- 8. The provisions of sections 167.018 and 167.019 concerning foster children's educational rights are applicable to charter schools."; and

Further amend said bill, Page 17, Section 160.415, Line 81, by inserting after "school." the following: "An educational cooperative of school districts may provide managerial or academic services as a contractor under this subsection."; and further amend line 82, by inserting after "7." the following: "In the case of a proposed charter school that intends to contract with an education service provider for substantial educational services, management services, or both types of services, as permitted in subsection 6 of this section, the request for proposals shall additionally require the charter school applicants to:

(1) Provide evidence of the education service provider's success in serving student populations similar to the targeted population, including demonstrated academic achievement as well as successful management of nonacademic school functions, if applicable;

- (2) Provide a term sheet setting forth the proposed duration of the service contract; roles and responsibilities of the governing board, the school staff, and the service provider; scope of services and resources to be provided by the service provider; performance evaluation measures and time lines; compensation structure, including clear identification of all fees to be paid to the service provider; methods of contract oversight and enforcement; investment disclosure; and conditions for renewal and termination of the contract;
- (3) Disclose and explain any known conflicts of interest between the school governing board and proposed service provider or any affiliated business entities;
- (4) Disclose and explain any termination or nonrenewal of contracts for equivalent services for any other charter school in the United States within the past five years; and
- (5) Ensure that the lead administrator and the legal counsel of the charter school shall be direct employees of the charter school governing board.

8."; and

Further amend said bill and section, page 18, line 99, by inserting after the word "imposing" the following: "but a charter school that enrolls pupils who are nonresidents of the school district in which the charter school is located and residents of a district classified as unaccredited by the state board of education under section 167.131 may receive tuition payments from the unaccredited district."; and further Line 106, by inserting after "355." the following: "The department of elementary and secondary education may withhold funding at a level the department determines to be adequate during a school's last year of operation until the department determines that school records, liabilities, and reporting requirements, including a full audit, are satisfied."; and further amend said section by renumbering the subsections accordingly; and

Further amend said bill and section, Page 18, Line 113, by inserting after all of said line the following:

- "160.417. 1. By October 1, 2011, and by each October first thereafter, the department of elementary and secondary education shall review the information submitted on the report required by section 162.821 to identify charter schools experiencing financial stress. The department shall be authorized to obtain such additional information from a charter school as may be necessary to determine the financial condition of the charter school. Annually, a listing of charter schools identified as experiencing financial stress according to the provisions of this section shall be provided to the governor, speaker of the house, and president pro tem of the senate by the department of elementary and secondary education.
- 2. For the purposes of this section, a charter school shall be identified as experiencing financial stress if it:
 - (1) At the end of its most recently completed fiscal year:
 - (a) Has a negative balance in its operating funds; or
- (b) Has a combined balance of less than three percent of the amount expended from such funds during the previous fiscal year; or
 - (2) For the most recently completed fiscal year expenditures, exceeded receipts for any of its

funds because of recurring costs.

- 3. The department shall notify by November first the charter sponsor and the board of directors of the charter school of any charter school identified as experiencing financial stress. Upon receiving the notification, the charter sponsor shall develop, or cause to have developed, and shall approve a budget and education plan on forms provided by the department. The budget and education plan shall be submitted to the department, signed by the officers of the charter school, within forty-five calendar days of notification that the charter school has been identified as experiencing financial stress. Minimally, the budget and education plan shall:
- (1) Give assurances that adequate educational services to students of the charter school shall continue uninterrupted for the remainder of the current school year and that the charter school can provide a minimum school term required by section 163.021;
- (2) Outline a procedure to be followed by the charter school to report to charter school patrons about the financial condition of the charter school; and
- (3) Detail the expenditure reduction measures, revenue increases, or other actions to be taken by the charter school to address its condition of financial stress.
- 4. Upon receipt and following review of any budget and education plan, the department may make suggestions to improve the plan. Nothing in the law shall exempt a charter school from submitting a budget and education plan to the department according to the provisions of the section following each such notification that a charter school has been identified as experiencing financial stress, except that the commissioner of elementary and secondary education may permit a charter board to make amendments to or update a budget and education plan previously submitted to the department.
- 5. The department may withhold any payment of financial aid otherwise due to the charter school until such time as the charter school has fully complied with this section."; and

Further amend said bill, Page 19, Section 160.420, Line 33, by striking said line and inserting in lieu thereof the following:

"(2) Certification by the National [Standards] Board for Professional Teaching Standards;"; and further amend line 51, by inserting after "4." the following: "When a charter school is required by law to provide free tutoring services to students, the charter school shall provide equal access to tutoring services offered by nonpublic education service providers. The charter school may engage in negotiations with any nonpublic education service provider for use of its facilities by the nonpublic education service provider. [;" and

Further amend said bill and section, Page 20, Line 90, by inserting immediately after "charter." a closing bracket "]" and the following:

- "160.425. 1. The "Missouri Charter Public School Commission" is hereby created with the authority to sponsor high quality charter schools throughout the state of Missouri.
- 2. The commission shall consist of nine members appointed by the governor, by and with the advice and consent of the senate, after a public committee hearing. No more than five of the members shall be of the same political party. No more than two members shall be from the same congressional

district. The term of office of each member is four years, except that of the members first appointed, three shall be appointed for a term of one year, two for a term of two years, two for a term of three years, and two for a term of four years. At the expiration of the term of each member, the governor, by and with the advice and consent of the senate, shall appoint a successor.

- 3. The appointees to the commission shall be selected as follows:
- (1) One member selected by the governor from a slate of three recommended by the commissioner of education;
- (2) One member selected by the governor from a slate of three recommended by the commissioner of higher education;
- (3) One member selected by the governor from a slate of three recommended by the president pro tem of the senate;
- (4) One member selected by the governor from a slate of three recommended by the speaker of the house of representatives; and
 - (5) Five additional members appointed by the governor.
- 4. Members appointed to the commission shall collectively possess strong experience and expertise in public and nonprofit governance, management and finance, public school leadership, assessment, curriculum and instruction, and public education law. All members of the commission shall have demonstrated understanding of and commitment to charter schooling as a strategy for strengthening public education.
- 5. The commission shall annually elect a chairperson and vice chairperson, who shall act as chairperson in his or her absence. The commission shall meet at the call of the chairperson. The chairperson may call meetings at such times as he or she deems advisable and shall call a meeting when requested to do so by three or more members of the commission. Members of the commission are not eligible to receive compensation.
- 6. The commission may approve proposed charters for its sponsorship under sections 160.400 to 160.425 and shall:
 - (1) Comply with all of the requirements applicable to sponsors under sections 160.400 to 160.425;
- (2) Exercise sponsorship over charters approved by the commission under sections 160.400 to 160.425, including receipt of sponsorship funding under subsection 11 of section 160.400.
- 7. Charter schools sponsored by the commission shall comply with all of the requirements applicable to charter schools under sections 160.400 to 160.425.
 - 8. The commission shall conduct its business in accordance with chapter 610.
- 9. The department of elementary and secondary education shall provide start-up funding for the commission to operate. The commission shall reimburse the department's costs from any funds it receives as sponsor under section 160.400.
- 10. The commission is authorized to receive and expend gifts, grants, and donations of any kind from any public or private entity to carry out the purposes of sections 160.400 to 160.425, subject to

the terms and conditions under which they are given, provided that all such terms and conditions are permissible under law.

Section 1. The joint committee on education shall review the fifth cycle school improvement program standards to determine what effects, if any, changes to performance standards may have on the number and type of charter schools and charter school sponsorship as a consequence of a district's accreditation status. The joint committee on education shall deliver its report, which may contain recommendations for changes to law or to state board of education policy, no later than December 31, 2011, and again upon any subsequent substantive revision of the standards."; and

Further amend the title and enacting clause accordingly.

Senator Cunningham moved that the above amendment be adopted.

At the request of Senator Pearce, SB 291, SB 184 and SB 294, with SCS and SA 4 (pending), were placed on the Informal Calendar.

REPORTS OF STANDING COMMITTEES

Senator Dempsey, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, submitted the following report:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **SS No. 2** for **SCS** for **SB 320**, begs leave to report that it has examined the same and finds that the bill has been truly perfected and that the printed copies furnished the Senators are correct.

HOUSE BILLS ON THIRD READING

Senator Rupp moved that **SS** for **HCS** for **HB 193** be called from the Informal Calendar and again taken up for 3rd reading and final passage, which motion prevailed.

On motion of Senator Rupp, SS for HCS for HB 193 was read the 3rd time and passed by the following vote:

YEAS—Senators								
Brown	Callahan	Crowell	Dempsey	Dixon	Goodman	Justus	Keaveny	
Lager	Lembke	Mayer	Munzlinger	Nieves	Parson	Pearce	Richard	
Ridgeway	Rupp	Schaaf	Schaefer	Schmitt	Wasson—22			
NAYS—Senators								
Chappelle-Nadal	Cunningham	Curls	Green	Kehoe	Kraus	Lamping	McKenna	
Purgason	Stouffer	Wright-Jones—11						
Absent—Senator Engler—1								
Absent with leave—Senators—None								
Vacancies—	-None							

On motion of Senator Rupp, title to the bill was agreed to.

The President declared the bill passed.

Senator Rupp moved that the vote by which the bill passed be reconsidered.

Senator Dempsey moved that motion lay on the table, which motion prevailed.

MESSAGES FROM THE HOUSE

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed SS for SCS for SBs 113 and 95.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 188**.

Bill ordered enrolled.

INTRODUCTIONS OF GUESTS

Senator Schaaf introduced to the Senate, Nick Miller and Brad Harr, Kansas City.

Senator Schmitt introduced to the Senate, Sarah Riss, Webster Groves.

Senator Goodman introduced to the Senate, Van McClure, Springfield.

Senator Kehoe introduced to the Senate, Mrs. Cindy Wolken, Ms. Peggy Jobe, Ms. Anne Weber and fourth grade students from Immaculate Conception School, Jefferson City; and Andrew Bexten, Reagan Taggart, Abby Davis, Katie Wilson and Ally Webb were made honorary pages.

Senator Schaefer introduced to the Senate, the Physician of the Day, Dr. Michael Friedman, M.D., Columbia.

Senator Schaefer introduced to the Senate, students from Windsor Street Montessori School, Columbia.

Senator Lembke introduced to the Senate, Colonel Constance Edwards, Ph.D. and Rochelle Crump, Illinois.

Senator Munzlinger introduced to the Senate, Michelle Holmes, Mrs. Jay Houghton and students from St. Joseph Catholic School, Martinsburg.

Senator Keaveny introduced to the Senate, Alderman Jeffrey Boyd, St. Louis.

On motion of Senator Dempsey, the Senate adjourned until 11:00 a.m., Thursday, April 14, 2011.

SENATE CALENDAR

FIFTY-SECOND DAY-THURSDAY, APRIL 14, 2011

FORMAL CALENDAR

HOUSE BILLS ON SECOND READING

HB 458-Loehner, et al

HCS for HB 641

HCS for HB 192

HCS for HBs 470 & 429

HCS for HB 336

HCS for HB 28

HCS for HB 546

HCS for HB 468

HB 677-Wells, et al

HB 737-Redmon and Shumake

HCS for HJR 3

HB 291-Denison, et al

HCS for HB 840

THIRD READING OF SENATE BILLS

1. SCS for SB 11-McKenna (In Fiscal Oversight)

2. SJR 10-Lembke and Green (In Fiscal Oversight)

3. SCS for SBs 26 & 106-Wasson (In Fiscal Oversight)

4. SB 204-Dempsey, et al (In Fiscal Oversight)

5. SCS for SB 100-Stouffer (In Fiscal Oversight)

6. SS for SCS for SB 254-Stouffer (In Fiscal Oversight)

7. SCS for SB 323-Schaefer (In Fiscal Oversight)

8. SS for SB 286-McKenna (In Fiscal Oversight)

9. SCS for SB 122-Schaaf (In Fiscal Oversight)

10. SB 325-Wasson

11. SS for SCS for SB 132-Rupp

12. SCS for SB 387-Wasson

13. SCS for SB 300-Munzlinger

14. SCS for SB 337-Munzlinger

15. SS for SB 238-Schmitt

16. SS for SB 360-Lager

17. SCS for SB 230-Lager

18. SS#2 for SCS for SB 320-Lamping

HOUSE BILLS ON THIRD READING

HCS for HB 45, with SCS (Pearce) (In Fiscal Oversight)

INFORMAL CALENDAR

THIRD READING OF SENATE BILLS

SCS for SB 18-Schmitt

SS for SB 231-Lager

SENATE BILLS FOR PERFECTION

SBs 1 & 206-Ridgeway, with SCS & SA 1 (pending)

SBs 7, 5, 74 & 169-Goodman, with SCS

SB 10-Rupp

SB 23-Keaveny, with SCS & SS for SCS

(pending)

SB 25-Schaaf, with SCS & SS for SCS

(pending)

SB 28-Brown

SB 37-Lembke, with SCS

SB 48-Wright-Jones, with SCS

SB 72-Kraus, with SS (pending)

SBs 88 & 82-Schaaf, with SCS & SA 1

(pending)

SB 120-Stouffer, with SS (pending)

SB 130-Rupp, with SCS & SS for SCS

(pending)

SB 175-Munzlinger, et al, with SA 1 (pending)

SB 176-Munzlinger, et al

SBs 189, 217, 246, 252 & 79-Schmitt, with SCS

SB 200-Crowell

SB 200-Crowell

SB 203-Schmitt, et al, with SS (pending)

SB 208-Lager

SB 209-Lager

SB 228-Pearce

SB 242-Cunningham, with SCS & SS for SCS

(pending)

SB 247-Pearce, with SS (pending)

SB 264-Rupp, with SCS

SB 278-Munzlinger, et al

SB 280-Purgason, et al, with SCS & SS

for SCS (pending)

SBs 291, 184 & 294-Pearce, with SCS & SA 4

(pending)

SB 299-Munzlinger, with SCS (pending)

SBs 369 & 370-Cunningham, with SCS

SB 390-Schmitt, et al

SB 420-Mayer, with SCS

SJR 11-Munzlinger, with SCS

SJR 15-Nieves, et al

HOUSE BILLS ON THIRD READING

HCS for HB 14, with SCS (Schaefer) HB 15-Silvey (Schaefer) HCS for HB 61 HB 71-Nasheed, et al

RESOLUTIONS

Reported from Committee

SR 179-Purgason

SCR 11-Wright-Jones