#### FIRST REGULAR SESSION

## SENATE BILL NO. 354

#### 92ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR STOLL.

Read 1st time January 27, 2003, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

1141S.01I

### AN ACT

To repeal section 163.021, RSMo, and to enact in lieu thereof one new section relating to the analysis of state school aid equity and adequacy.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 163.021, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 163.021, to read as follows:

163.021. 1. A school district shall receive state aid for its education program only if it:

- (1) Provides for a minimum of one hundred seventy-four days and one thousand forty-four hours of actual pupil attendance in a term scheduled by the board pursuant to section 160.041, RSMo, for each pupil or group of pupils, except that the board shall provide a minimum of one hundred seventy-four days and five hundred twenty-two hours of actual pupil attendance in a term for kindergarten pupils. If any school is dismissed because of inclement weather after school has been in session for three hours, that day shall count as a school day including afternoon session kindergarten students. When the aggregate hours lost in a term due to inclement weather decreases the total hours of the school term below the required minimum number of hours by more than twelve hours for all-day students or six hours for one-half-day kindergarten students, all such hours below the minimum must be made up in one-half day or full day additions to the term, except as provided in section 171.033, RSMo;
- (2) Maintains adequate and accurate records of attendance, personnel and finances, as required by the state board of education, which shall include the preparation of a financial statement which shall be submitted to the state board of education the same as required by the provisions of section 165.111, RSMo, for districts;
  - (3) Levies an operating levy for school purposes of not less than one dollar and

twenty-five cents after all adjustments and reductions on each one hundred dollars assessed valuation of the district;

- (4) Computes average daily attendance as defined in subdivision (2) of section 163.011 as modified by section 171.031, RSMo. Whenever there has existed within the district an infectious disease, contagion, epidemic, plague or similar condition whereby the school attendance is substantially reduced for an extended period in any school year, the apportionment of school funds and all other distribution of school moneys shall be made on the basis of the school year next preceding the year in which such condition existed.
- 2. Beginning with the tax year which commences January 1, 1998, and for the 1998-99 school year and subsequent tax and school years, no school district shall receive more state aid, as calculated under section 163.031 for its education program, exclusive of categorical add-ons, than it received per eligible pupil for the school year 1993-94, unless it has an operating levy for school purposes, as determined pursuant to section 163.011, of not less than two dollars and seventy-five cents after all adjustments and reductions, with no more than ten cents of this tax rate levied in the debt service and capital projects funds and eligible for entry on line 1 of the state school aid formula contained in subsection 6 of section 163.031; except that, beginning in the 1997-98 school year, any district which is required, pursuant to article X, section 22 of the Missouri Constitution, to reduce its operating levy below the minimum tax rate otherwise required under this subsection shall not be construed to be in violation of this subsection for making such tax rate reduction. Pursuant to section 10(c) of article X of the state constitution, a school district may levy the operating levy for school purposes required by this subsection less all adjustments required pursuant to article X, section 22 of the Missouri Constitution if such rate does not exceed the highest tax rate in effect subsequent to the 1980 tax year. Nothing in this section shall be construed to mean that a school district is guaranteed to receive an amount not less than the amount the school district received per eligible pupil for the school year 1990-91. The provisions of this subsection shall not apply to any school district located in a county of the second classification which has a nuclear power plant located in such district or to any school district located in a county of the third classification which has an electric power generation unit with a rated generating capacity of more than one hundred fifty megawatts which is owned or operated or both by a rural electric cooperative except that such school districts may levy for current school purposes and capital projects an operating levy not to exceed two dollars and seventy-five cents less all adjustments required pursuant to article X, section 22 of the Missouri Constitution.
- 3. No school district shall receive more state aid, as calculated in section 163.031, for its education program, exclusive of categorical add-ons, than it received per eligible pupil for the school year 1993-1994, if the state board of education determines that the district was not in compliance in the preceding school year with the requirements of section 163.172, until such time

as the board determines that the district is again in compliance with the requirements of section 163.172.

- 4. The state board of education shall, on or before December 15, 2003, and every two years thereafter in consultation with an advisory committee established by the state board which shall have no more than fifteen members and include representatives of school boards, school administrators, certificated staff, and noncertificated staff, conduct a comprehensive study and evaluation of the equity and adequacy of state school aid and district school operating revenues throughout the state and provide a detailed report of its findings, conclusions, and recommendations to the governor and general assembly. The findings shall include a recommendation as to the adequate amount of operating revenues required to ensure that a school district can be reasonably expected to have sufficient resources to provide an education program which affords all students an equitable opportunity to gain proficiency in the knowledge, skills, and competencies adopted by the state board pursuant to subsection 1 of section 160.514, RSMo. The adequate amount of revenues shall include adjustments necessary to provide extra resources required to educate atrisk students and other special categories identified by the state board. The department of elementary and secondary education shall evaluate the correlation between district tax rates and district assessed valuation per pupil following each biennial property tax reassessment and shall report its findings to the governor and the general assembly by December first of the year following each reassessment. The findings shall include a calculation of the minimum required property tax rate necessary to maintain a correlation of zero or less between district property tax rate and district assessed valuation per pupil and a report of assessed valuation per pupil and district property tax rate for all districts.
- 5. No school district shall receive state aid, pursuant to section 163.031, if such district was not in compliance, during the preceding school year, with the requirement, established pursuant to section 160.530, RSMo, to allocate revenue to the professional development committee of the district.
- 6. No school district shall receive more state aid, as calculated in section 163.031, for its education program, exclusive of categorical add-ons, than it received per eligible pupil for the school year 1993-1994, if the district did not comply in the preceding school year with the requirements of subsection 7 of section 163.031.
- 7. No school district shall receive state aid, pursuant to section 163.031, if the district failed to make a required payment in the preceding year to the school building revolving fund pursuant to section 166.300, RSMo.

# Unofficial

Bill

Copy