

SECOND REGULAR SESSION

SENATE BILL NO. 644

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR SHIELDS.

Pre-filed December 1, 2005, and ordered printed.

TERRY L. SPIELER, Secretary.

3315S.02I

AN ACT

To repeal section 163.031, as enacted by conference committee substitute for house committee substitute for senate substitute for senate committee substitute for senate bill no. 287, ninety-third general assembly, first regular session, and to enact in lieu thereof one new section relating to reductions in state aid for school districts with decreases in summer school attendance, with an emergency clause.

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

Section A. Section 163.031, as enacted by conference committee substitute for house committee substitute for senate substitute for senate committee substitute for senate bill no. 287, ninety-third general assembly, first regular session, is repealed and one new section enacted in lieu thereof, to be known as section 163.031, to read as follows:

163.031. 1. The department of elementary and secondary education shall calculate and distribute to each school district qualified to receive state aid under section 163.021 an amount determined by multiplying the district's weighted average daily attendance by the state adequacy target, multiplying this product by the dollar value modifier for the district, and subtracting from this product the district's local effort and, in years not governed under subsection 4 of this section, subtracting payments from the classroom trust fund under section 163.043.

2. Other provisions of law to the contrary notwithstanding:

(1) For districts with an average daily attendance of more than three hundred fifty in the school year preceding the payment year:

(a) For the 2006-07 school year, the state revenue per weighted average daily attendance received by a district from the state aid calculation under

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

13 subsections 1 and 4 of this section, as applicable, and the classroom trust fund
14 under section 163.043 shall not be less than the state revenue received by a
15 district in the 2005-06 school year from the foundation formula, line 14, gifted,
16 remedial reading, exceptional pupil aid, fair share, and free textbook payment
17 amounts multiplied by the sum of one plus the product of one-third multiplied by
18 the remainder of the dollar value modifier minus one, and dividing this product
19 by the weighted average daily attendance computed for the 2005-06 school year;

20 (b) For the 2007-08 school year, the state revenue per weighted average
21 daily attendance received by a district from the state aid calculation under
22 subsections 1 and 4 of this section, as applicable, and the classroom trust fund
23 under section 163.043 shall not be less than the state revenue received by a
24 district in the 2005-06 school year from the foundation formula, line 14, gifted,
25 remedial reading, exceptional pupil aid, fair share, and free textbook payment
26 amounts multiplied by the sum of one plus the product of two-thirds multiplied
27 by the remainder of the dollar value modifier minus one, and dividing this
28 product by the weighted average daily attendance computed for the 2005-06
29 school year;

30 (c) For the 2008-09 school year, the state revenue per weighted average
31 daily attendance received by a district from the state aid calculation under
32 subsections 1 and 4 of this section, as applicable, and the classroom trust fund
33 under section 163.043 shall not be less than the state revenue received by a
34 district in the 2005-06 school year from the foundation formula, line 14, gifted,
35 remedial reading, exceptional pupil aid, fair share, and free textbook payment
36 amounts multiplied by the dollar value modifier, and dividing this product by the
37 weighted average daily attendance computed for the 2005-06 school year;

38 (d) For each year subsequent to the 2008-09 school year, the amount shall
39 be no less than that computed in paragraph (c) of this subdivision, multiplied by
40 the weighted average daily attendance pursuant to section 163.036, less any
41 increase in revenue received from the classroom trust fund under section 163.043;

42 (2) For districts with an average daily attendance of three hundred fifty
43 or less in the school year preceding the payment year:

44 (a) For the 2006-07 school year, the state revenue received by a district
45 from the state aid calculation under subsections 1 and 4 of this section, as
46 applicable, and the classroom trust fund under section 163.043 shall not be less
47 than the greater of state revenue received by a district in the 2004-05 or 2005-06
48 school year from the foundation formula, line 14, gifted, remedial reading,

49 exceptional pupil aid, fair share, and free textbook payment amounts multiplied
50 by the sum of one plus the product of one-third multiplied by the remainder of the
51 dollar value modifier minus one;

52 (b) For the 2007-08 school year, the state revenue received by a district
53 from the state aid calculation under subsections 1 and 4 of this section, as
54 applicable, and the classroom trust fund under section 163.043 shall not be less
55 than the greater of state revenue received by a district in the 2004-05 or 2005-06
56 school year from the foundation formula, line 14, gifted, remedial reading,
57 exceptional pupil aid, fair share, and free textbook payment amounts multiplied
58 by the sum of one plus the product of two-thirds multiplied by the remainder of
59 the dollar value modifier minus one;

60 (c) For the 2008-09 school year, the state revenue received by a district
61 from the state aid calculation under subsections 1 and 4 of this section, as
62 applicable, and the classroom trust fund under section 163.043 shall not be less
63 than the greater of state revenue received by a district in the 2004-05 or 2005-06
64 school year from the foundation formula, line 14, gifted, remedial reading,
65 exceptional pupil aid, fair share, and free textbook payment amounts multiplied
66 by the dollar value modifier;

67 (d) For each year subsequent to the 2008-09 school year, the amount shall
68 be no less than that computed in paragraph (c) of this subdivision;

69 (3) The department of elementary and secondary education shall make an
70 addition in the payment amount specified in subsection 1 of this section to assure
71 compliance with the provisions contained in this subsection.

72 3. School districts that meet the requirements of section 163.021 shall
73 receive categorical add-on revenue as provided in this subsection. The categorical
74 add-on for the district shall be the sum of: seventy-five percent of the district
75 allowable transportation costs under section 163.161; the career ladder
76 entitlement for the district, as provided for in sections 168.500 to 168.515, RSMo;
77 the vocational education entitlement for the district, as provided for in section
78 167.332, RSMo; and the district educational and screening program entitlements
79 as provided for in sections 178.691 to 178.699, RSMo. The categorical add-on
80 revenue amounts may be adjusted to accommodate available appropriations.

81 4. In the 2006-07 school year and each school year thereafter for five
82 years, those districts entitled to receive state aid under the provisions of
83 subsection 1 of this section shall receive state aid in an amount as provided in
84 this subsection.

85 (1) For the 2006-07 school year, the amount shall be fifteen percent of the
86 amount of state aid calculated for the district for the 2006-07 school year under
87 the provisions of subsection 1 of this section, plus eighty-five percent of the total
88 amount of state revenue received by the district for the 2005-06 school year from
89 the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid,
90 fair share, and free textbook payments less any amounts received under section
91 163.043.

92 (2) For the 2007-08 school year, the amount shall be thirty percent of the
93 amount of state aid calculated for the district for the 2007-08 school year under
94 the provisions of subsection 1 of this section, plus seventy percent of the total
95 amount of state revenue received by the district for the 2005-06 school year from
96 the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid,
97 fair share, and free textbook payments less any amounts received under section
98 163.043.

99 (3) For the 2008-09 school year, the amount of state aid shall be forty-four
100 percent of the amount of state aid calculated for the district for the 2008-09
101 school year under the provisions of subsection 1 of this section plus fifty-six
102 percent of the total amount of state revenue received by the district for the
103 2005-06 school year from the foundation formula, line 14, gifted, remedial
104 reading, exceptional pupil aid, fair share, and free textbook payments less any
105 amounts received under section 163.043.

106 (4) For the 2009-10 school year, the amount of state aid shall be fifty-eight
107 percent of the amount of state aid calculated for the district for the 2009-10
108 school year under the provisions of subsection 1 of this section plus forty-two
109 percent of the total amount of state revenue received by the district for the
110 2005-06 school year from the foundation formula, line 14, gifted, remedial
111 reading, exceptional pupil aid, fair share, and free textbook payments less any
112 amounts received under section 163.043.

113 (5) For the 2010-11 school year, the amount of state aid shall be
114 seventy-two percent of the amount of state aid calculated for the district for the
115 2010-11 school year under the provisions of subsection 1 of this section plus
116 twenty-eight percent of the total amount of state revenue received by the district
117 for the 2005-06 school year from the foundation formula, line 14, gifted, remedial
118 reading, exceptional pupil aid, fair share, and free textbook payments less any
119 amounts received under section 163.043.

120 (6) For the 2011-12 school year, the amount of state aid shall be eighty-six

121 percent of the amount of state aid calculated for the district for the 2011-12
122 school year under the provisions of subsection 1 of this section plus fourteen
123 percent of the total amount of state revenue received by the district for the
124 2005-06 school year from the foundation formula, line 14, gifted, remedial
125 reading, exceptional pupil aid, fair share, and free textbook payments less any
126 amounts received under section 163.043.

127 (7) (a) Notwithstanding subdivision (18) of section 163.011, the state
128 adequacy target may not be adjusted downward to accommodate available
129 appropriations in any year governed by this subsection.

130 (b) **a. For the 2006-07 school year**, if a school district experiences a
131 decrease in summer school average daily attendance of more than fifteen percent
132 from the district's 2005-06 summer school average daily attendance [in any year
133 governed by this subsection], an amount equal to the product of the percent
134 reduction [in] **that is in excess of fifteen percent** of the district's summer
135 school average daily attendance multiplied by the funds generated by the
136 district's summer school program in the 2005-06 school year shall be subtracted
137 from the district's current year payment amount.

138 **b. For the 2007-08 school year**, if a school district experiences a
139 decrease in summer school average daily attendance of more than
140 **thirty percent** from the district's 2005-06 summer school average daily
141 attendance, an amount equal to the product of the percent reduction
142 **that is in excess of thirty percent** of the district's summer school
143 average daily attendance multiplied by the funds generated by the
144 district's summer school program in the 2005-06 school year shall be
145 subtracted from the district's payment amount.

146 **c. For the 2008-09 school year**, if a school district experiences a
147 decrease in summer school average daily attendance of more than
148 **forty-four percent** from the district's 2005-06 summer school average
149 daily attendance, an amount equal to the product of the percent
150 reduction **that is in excess of forty-four percent** of the district's summer
151 school average daily attendance multiplied by the funds generated by
152 the district's summer school program in the 2005-06 school year shall
153 be subtracted from the district's payment amount.

154 **d. For the 2009-10 school year**, if a school district experiences a
155 decrease in summer school average daily attendance of more than
156 **fifty-eight percent** from the district's 2005-06 summer school average

157 **daily attendance, an amount equal to the product of the percent**
158 **reduction that is in excess of fifty-eight percent of the district's summer**
159 **school average daily attendance multiplied by the funds generated by**
160 **the district's summer school program in the 2005-06 school year shall**
161 **be subtracted from the district's payment amount.**

162 **e. For the 2010-11 school year, if a school district experiences a**
163 **decrease in summer school average daily attendance of more than**
164 **seventy-two percent from the district's 2005-06 summer school average**
165 **daily attendance, an amount equal to the product of the percent**
166 **reduction that is in excess of seventy-two percent of the district's**
167 **summer school average daily attendance multiplied by the funds**
168 **generated by the district's summer school program in the 2005-06**
169 **school year shall be subtracted from the district's payment amount.**

170 **f. For the 2011-12 school year, if a school district experiences a**
171 **decrease in summer school average daily attendance of more than**
172 **eighty-six percent from the district's 2005-06 summer school average**
173 **daily attendance, an amount equal to the product of the percent**
174 **reduction that is in excess of eighty-six percent of the district's summer**
175 **school average daily attendance multiplied by the funds generated by**
176 **the district's summer school program in the 2005-06 school year shall**
177 **be subtracted from the district's payment amount.**

178 (c) If a school district experiences a decrease in its gifted program
179 enrollment of more than twenty percent from its 2005-06 gifted program
180 enrollment in any year governed by this subsection, an amount equal to the
181 product of the percent reduction in the district's gifted program enrollment
182 multiplied by the funds generated by the district's gifted program in the 2005-06
183 school year shall be subtracted from the district's current year payment amount.

184 5. For any school district meeting the eligibility criteria for state aid as
185 established in section 163.021, but which is considered an option district under
186 section 163.042 and therefore receives no state aid, the commissioner of education
187 shall present a plan to the superintendent of the school district for the waiver of
188 rules and the duration of said waivers, in order to promote flexibility in the
189 operations of the district and to enhance and encourage efficiency in the delivery
190 of instructional services as provided in section 163.042.

191 6. (1) No less than seventy-five percent of the state revenue received
192 under the provisions of subsections 1, 2, and 4 of this section shall be placed in

193 the teachers' fund, and the remaining percent of such moneys shall be placed in
194 the incidental fund. No less than seventy-five percent of one-half of the funds
195 received from the school district trust fund distributed under section 163.087
196 shall be placed in the teachers' fund. One hundred percent of revenue received
197 under the provisions of section 163.161 shall be placed in the incidental
198 fund. One hundred percent of revenue received under the provisions of sections
199 168.500 to 168.515, RSMo, shall be placed in the teachers' fund.

200 (2) A school district shall spend for certificated compensation and tuition
201 expenditures each year:

202 (a) An amount equal to at least seventy-five percent of the state revenue
203 received under the provisions of subsections 1, 2, and 4 of this section;

204 (b) An amount equal to at least seventy-five percent of one-half of the
205 funds received from the school district trust fund distributed under section
206 163.087 during the preceding school year; and

207 (c) Beginning in fiscal year 2008, as much as was spent per the second
208 preceding year's weighted average daily attendance for certificated compensation
209 and tuition expenditures the previous year from revenue produced by local and
210 county tax sources in the teachers' fund, plus the amount of the incidental fund
211 to teachers' fund transfer calculated to be local and county tax sources by dividing
212 local and county tax sources in the incidental fund by total revenue in the
213 incidental fund.

214 In the event a district fails to comply with this provision, the amount by which
215 the district fails to spend funds as provided herein shall be deducted from the
216 district's state revenue received under the provisions of subsections 1, 2, and 4
217 of this section for the following year, provided that the state board of education
218 may exempt a school district from this provision if the state board of education
219 determines that circumstances warrant such exemption.

220 7. If a school district's annual audit discloses that students were
221 inappropriately identified as eligible for free and reduced lunch, special
222 education, or limited English proficiency and the district does not resolve the
223 audit finding, the department of elementary and secondary education shall
224 require that the amount of aid paid pursuant to the weighting for free and
225 reduced lunch, special education, or limited English proficiency in the weighted
226 average daily attendance on the inappropriately identified pupils be repaid by the
227 district in the next school year and shall additionally impose a penalty of one
228 hundred percent of such aid paid on such pupils, which penalty shall also be paid

229 within the next school year. Such amounts may be repaid by the district through
230 the withholding of the amount of state aid.

Section B. Because of the need to provide a quality education for Missouri
2 students, section A of this act is deemed necessary for the immediate preservation
3 of the public health, welfare, peace and safety, and is hereby declared to be an
4 emergency act within the meaning of the constitution, and section A of this act
5 shall be in full force and effect on July 1, 2006, or upon its passage and approval,
6 whichever comes later.

Unofficial

Bill

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