## SECOND REGULAR SESSION

## **SENATE BILL NO. 760**

## 97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CHAPPELLE-NADAL.

Read 1st time January 22, 2014, and ordered printed.

5164S.01I

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TERRY L. SPIELER, Secretary.

## AN ACT

To repeal sections 160.400, 160.518, 160.526, 161.092, 162.085, 163.023, 166.300, 167.131, 167.241, 168.700, and 171.171, RSMo, and to enact in lieu thereof fourteen new sections relating to school accreditation.

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

Section A. Sections 160.400, 160.518, 160.526, 161.092, 162.085, 163.023, 2 166.300, 167.131, 167.241, 168.700, and 171.171, RSMo, are repealed and fourteen new sections enacted in lieu thereof, to be known as sections 160.400, 160.518, 3 160.526, 160.1100, 160.1105, 160.1110, 161.092, 162.085, 163.023, 166.300,4 167.131, 167.241, 168.700, and 171.171, to read as follows:  $\mathbf{5}$ 160.400. 1. A charter school is an independent public school.  $\mathbf{2}$ 2. Except as further provided in subsection 4 of this section, charter 3 schools may be operated only: 4 (1) In a metropolitan school district; 5(2) In an urban school district containing most or all of a city with a 6 population greater than three hundred fifty thousand inhabitants;  $\overline{7}$ (3) In a school district that has been declared unaccredited; 8 (4) In a school district that has been classified as provisionally accredited by the [state board of education] Missouri board of school accreditation and 9 has received scores on its annual performance report consistent with a 10 classification of provisionally accredited or unaccredited for three consecutive 11 school years beginning with the 2012-13 accreditation year under the following 1213 conditions: (a) The eligibility for charter schools of any school district whose 14

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

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

20 (b) The sponsor is limited to the local school board or a sponsor who has 21 met the standards of accountability and performance as determined by the 22 department based on sections 160.400 to 160.425 and section 167.349 and 23 properly promulgated rules of the department; or

24(5) In a school district that has been accredited without provisions, 25sponsored only by the local school board; provided that no board with a current 26year enrollment of one thousand five hundred fifty students or greater shall 27permit more than thirty-five percent of its student enrollment to enroll in charter 28schools sponsored by the local board under the authority of this subdivision, 29except that this restriction shall not apply to any school district that 30 subsequently becomes eligible under subdivision (3) or (4) of this subsection or to any district accredited without provisions that sponsors charter schools prior to 31 32having a current year student enrollment of one thousand five hundred fifty 33 students or greater.

34 3. Except as further provided in subsection 4 of this section, the following
35 entities are eligible to sponsor charter schools:

36 (1) The school board of the district in any district which is sponsoring a charter school as of August 27, 2012, as permitted under subdivision (1) or (2) of 3738 subsection 2 of this section, the special administrative board of a metropolitan 39 school district during any time in which powers granted to the district's board of 40 education are vested in a special administrative board, or if the state board of education appoints a special administrative board to retain the authority granted 41 to the board of education of an urban school district containing most or all of a 42city with a population greater than three hundred fifty thousand inhabitants, the 43special administrative board of such school district; 44

45 (2) A public four-year college or university with an approved teacher 46 education program that meets regional or national standards of accreditation;

47 (3) A community college, the service area of which encompasses some48 portion of the district;

49 (4) Any private four-year college or university with an enrollment of at
50 least one thousand students, with its primary campus in Missouri, and with an
51 approved teacher preparation program;

52 (5) Any two-year private vocational or technical school designated as a 53 501(c)(3) nonprofit organization under the Internal Revenue Code of 1986, as 54 amended, which is a member of the North Central Association and accredited by 55 the Higher Learning Commission, with its primary campus in Missouri; or

56 (6) The Missouri charter public school commission created in section 57 160.425.

58 4. Changes in a school district's accreditation status that affect charter 59 schools shall be addressed as follows, except for the districts described in 60 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;

65 (2) As a district transitions from provisionally accredited to full 66 accreditation, the district shall continue to fall under the requirements for a 67 provisionally accredited district until it achieves three consecutive full school 68 years of full accreditation;

69 (3) In any school district classified as unaccredited or provisionally 70 accredited where a charter school is operating and is sponsored by an entity other 71 than the local school board, when the school district becomes classified as 72 accredited without provisions, a charter school may continue to be sponsored by 73 the entity sponsoring it prior to the classification of accredited without provisions 74 and shall not be limited to the local school board as a sponsor.

75A charter school operating in a school district identified in subdivision (1) or (2) 76 of subsection 2 of this section may be sponsored by any of the entities identified in subsection 3 of this section, irrespective of the accreditation classification of 77the district in which it is located. A charter school in a district described in this 78subsection whose charter provides for the addition of grade levels in subsequent 79years may continue to add levels until the planned expansion is complete to the 80 81 extent of grade levels in comparable schools of the district in which the charter school is operated. 82

5. The mayor of a city not within a county may request a sponsor under subdivision (2), (3), (4), (5), or (6) of subsection 3 of this section to consider sponsoring a "workplace charter school", which is defined for purposes of sections 160.400 to 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

88 in the charter, which is located in the city.

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.

92 7. The charter school shall be organized as a Missouri nonprofit
93 corporation incorporated pursuant to chapter 355. The charter provided for
94 herein shall constitute a contract between the sponsor and the charter school.

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.

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.

104 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 105106 specified in subsection 3 of this section when its charter is granted by a sponsor 107 other than such college, university or community college. Affiliation status 108 recognizes a relationship between the charter school and the college or university for purposes of teacher training and staff development, curriculum and 109 110 assessment development, use of physical facilities owned by or rented on behalf 111 of the college or university, and other similar purposes. A university, college or 112community college may not charge or accept a fee for affiliation status.

113 11. The expenses associated with sponsorship of charter schools shall be defrayed by the department of elementary and secondary education retaining one 114 and five-tenths percent of the amount of state and local funding allocated to the 115charter school under section 160.415, not to exceed one hundred twenty-five 116 thousand dollars, adjusted for inflation. The department of elementary and 117 secondary education shall remit the retained funds for each charter school to the 118 school's sponsor, provided the sponsor remains in good standing by fulfilling its 119 120sponsorship obligations under sections 160.400 to 160.425 and 167.349 with 121regard to each charter school it sponsors, including appropriate demonstration of 122 the following:

123 (1) Expends no less than ninety percent of its charter school sponsorship

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124 funds in support of its charter school sponsorship program, or as a direct 125 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 usescomprehensive data to make merit-based renewal decisions.

139 12. Sponsors receiving funds under subsection 11 of this section shall be 140 required to submit annual reports to the joint committee on education 141 demonstrating they are in compliance with subsection 17 of this section.

142 13. No university, college or community college shall grant a charter to
143 a nonprofit corporation if an employee of the university, college or community
144 college is a member of the corporation's board of directors.

145 14. No sponsor shall grant a charter under sections 160.400 to 160.425 146 and 167.349 without ensuring that a criminal background check and family care 147 safety registry check are conducted for all members of the governing board of the 148 charter schools or the incorporators of the charter school if initial directors are 149 not named in the articles of incorporation, nor shall a sponsor renew a charter 150 without ensuring a criminal background check and family care registry check are 151 conducted for each member of the governing board of the charter school.

15215. No member of the governing board of a charter school shall hold any 153office or employment from the board or the charter school while serving as a 154member, nor shall the member have any substantial interest, as defined in 155section 105.450, in any entity employed by or contracting with the board. No 156board member shall be an employee of a company that provides substantial 157services to the charter school. All members of the governing board of the charter 158school shall be considered decision-making public servants as defined in section 105.450 for the purposes of the financial disclosure requirements contained in 159

160 sections 105.483, 105.485, 105.487, and 105.489.

161 16. A sponsor shall develop the policies and procedures for:

(1) The review of a charter school proposal including an application that provides sufficient information for rigorous evaluation of the proposed charter and provides clear documentation that the education program and academic program are aligned with the state standards and grade-level expectations, and provides clear documentation of effective governance and management structures, and a sustainable operational plan;

168 (2) The granting of a charter;

169 (3) The performance framework that the sponsor will use to evaluate the170 performance of charter schools;

(4) The sponsor's intervention, renewal, and revocation policies, including
the conditions under which the charter sponsor may intervene in the operation
of the charter school, along with actions and consequences that may ensue, and
the conditions for renewal of the charter at the end of the term, consistent with
subsections 8 and 9 of section 160.405;

176 (5) Additional criteria that the sponsor will use for ongoing oversight of177 the charter; and

(6) Procedures to be implemented if a charter school should close,
consistent with the provisions of subdivision (15) of subsection 1 of section
160.405.

181 The department shall provide guidance to sponsors in developing such policies182 and procedures.

183 17. (1) A sponsor shall provide timely submission to the state board of 184 education of all data necessary to demonstrate that the sponsor is in material compliance with all requirements of sections 160.400 to 160.425 and section 185186 167.349. The state board of education shall ensure each sponsor is in compliance with all requirements under sections 160.400 to 160.425 and 167.349 for each 187 charter school sponsored by any sponsor. The state board shall notify each 188 189 sponsor of the standards for sponsorship of charter schools, delineating both what is mandated by statute and what best practices dictate. The state board shall 190 191 evaluate sponsors to determine compliance with these standards every three 192 years. The evaluation shall include a sponsor's policies and procedures in the 193areas of charter application approval; required charter agreement terms and 194 content; sponsor performance evaluation and compliance monitoring; and charter 195renewal, intervention, and revocation decisions. Nothing shall preclude the

196 department from undertaking an evaluation at any time for cause.

197 (2) If the department determines that a sponsor is in material 198 noncompliance with its sponsorship duties, the sponsor shall be notified and 199given reasonable time for remediation. If remediation does not address the 200compliance issues identified by the department, the commissioner of education 201shall conduct a public hearing and thereafter provide notice to the charter 202 sponsor of corrective action that will be recommended to the state board of 203education. Corrective action by the department may include withholding the 204 sponsor's funding and suspending the sponsor's authority to sponsor a school that 205it currently sponsors or to sponsor any additional school until the sponsor is 206reauthorized by the state board of education under section 160.403.

(3) The charter sponsor may, within thirty days of receipt of the notice of the commissioner's recommendation, provide a written statement and other documentation to show cause as to why that action should not be taken. Final determination of corrective action shall be determined by the state board of education based upon a review of the documentation submitted to the department and the charter sponsor.

(4) If the state board removes the authority to sponsor a currently
operating charter school under any provision of law, the Missouri charter public
school commission shall become the sponsor of the school.

160.518. 1. Consistent with the provisions contained in section 160.526, the [state board of education] Missouri board of school accreditation shall  $\mathbf{2}$ 3 develop a statewide assessment system that provides maximum flexibility for 4 local school districts to determine the degree to which students in the public  $\mathbf{5}$ schools of the state are proficient in the knowledge, skills, and competencies adopted by [such] the state board of education pursuant to subsection 1 of 6 section 160.514. The statewide assessment system shall assess problem solving, 7 analytical ability, evaluation, creativity, and application ability in the different 8 content areas and shall be performance-based to identify what students know, as 9 well as what they are able to do, and shall enable teachers to evaluate actual 10 11 academic performance. The assessment system shall neither promote nor prohibit 12rote memorization and shall not include existing versions of tests approved for 13use pursuant to the provisions of section 160.257, nor enhanced versions of such 14tests. The statewide assessment shall measure, where appropriate by grade level, 15a student's knowledge of academic subjects including, but not limited to, reading skills, writing skills, mathematics skills, world and American history, forms of 16

17 government, geography and science.

2. The assessment system shall only permit the academic performance of
students in each school in the state to be tracked against prior academic
performance in the same school.

213. The [state board of education] Missouri board of school 22accreditation shall suggest criteria for a school to demonstrate that its students 23learn the knowledge, skills and competencies at exemplary levels worthy of 24imitation by students in other schools in the state and nation. Exemplary levels 25shall be measured by the assessment system developed pursuant to subsection 1 26of this section, or until said assessment is available, by indicators approved for 27such use by the state board of education. The provisions of other law to the 28contrary notwithstanding, the commissioner of education may, upon request of 29the school district, present a plan for the waiver of rules and regulations to any 30 such school, to be known as "Outstanding Schools Waivers", consistent with the 31provisions of subsection 4 of this section.

32 4. For any school that meets the criteria established by the [state board 33 of education] Missouri board of school accreditation for three successive school years pursuant to the provisions of subsection 3 of this section, by August 34first following the third such school year, the commissioner of education shall 35present a plan to the superintendent of the school district in which such school 36 37 is located for the waiver of rules and regulations to promote flexibility in the operations of the school and to enhance and encourage efficiency in the delivery 3839 of instructional services. The provisions of other law to the contrary 40notwithstanding, the plan presented to the superintendent shall provide a 41 summary waiver, with no conditions, for the pupil testing requirements pursuant to section 160.257, in the school. Further, the provisions of other law to the 42contrary notwithstanding, the plan shall detail a means for the waiver of 43requirements otherwise imposed on the school related to the authority of the state 44board of education to classify school districts pursuant to subdivision (9) of 45section 161.092 and such other rules and regulations as determined by the 46 commissioner of education, excepting such waivers shall be confined to the school 47and not other schools in the district unless such other schools meet the criteria 48 49 established by the [state board of education] Missouri board of school 50 accreditation consistent with subsection 3 of this section and the waivers shall not include the requirements contained in this section and section 160.514. Any 5152waiver provided to any school as outlined in this subsection shall be void on June

thirtieth of any school year in which the school fails to meet the criteria
established by the [state board of education] Missouri board of school
accreditation consistent with subsection 3 of this section.

56 5. The score on any assessment test developed pursuant to this section or 57 this chapter of any student for whom English is a second language shall not be 58 counted until such time as such student has been educated for three full school 59 years in a school in this state, or in any other state, in which English is the 60 primary language.

61 6. The [state board of education] Missouri board of school accreditation shall identify or, if necessary, establish one or more 62 63 developmentally appropriate alternate assessments for students who receive 64 special educational services, as that term is defined pursuant to section 162.675. 65 In the development of such alternate assessments, the [state] board shall establish an advisory panel consisting of a majority of active special education 66 67 teachers and other education professionals as appropriate to research available assessment options. The advisory panel shall attempt to identify preexisting 68 69 developmentally appropriate alternate assessments but shall, if necessary, develop alternate assessments and recommend one or more alternate assessments 70for adoption by the [state] board. The [state] board shall consider the 71recommendations of the advisory council in establishing such alternate 7273assessment or assessments. Any student who receives special educational services, as that term is defined pursuant to section 162.675, shall be assessed 7475by an alternate assessment established pursuant to this subsection upon a 76determination by the student's individualized education program team that such 77alternate assessment is more appropriate to assess the student's knowledge, skills and competencies than the assessment developed pursuant to subsection 1 of this 78section. The alternate assessment shall evaluate the student's independent living 79 skills, which include how effectively the student addresses common life demands 80 and how well the student meets standards for personal independence expected for 81 82 someone in the student's age group, sociocultural background, and community 83 setting.

7. The [state board of education] Missouri board of school accreditation shall also develop recommendations regarding alternate assessments for any military dependent who relocates to Missouri after the commencement of a school term, in order to accommodate such student while ensuring that he or she is proficient in the knowledge, skills, and competencies 89 adopted under section 160.514.

8. Notwithstanding the provisions of subsections 1 to 7 of this section, no
later than June 30, 2006, the state board of education shall administer the
following adjustments to the statewide assessment system:

93 (1) Align the performance standards of the statewide assessment system
94 so that such indicators meet, but do not exceed, the performance standards of the
95 National Assessment of Education Progress (NAEP) exam;

96 (2) Institute yearly examination of students in the required subject areas
97 where compelled by existing federal standards, as of August 28, 2004; and

98 (3) Administer any other adjustments that the state board of education 99 deems necessary in order to aid the state in satisfying existing federal 100 requirements, as of August 28, 2004, including, but not limited to, the 101 requirements contained in the federal No Child Left Behind Act. Grade-level 102 expectations shall be considered when the state board of education establishes 103 performance standards.

9. By July 1, 2006, the state board of education shall examine its rules and regulations and revise them to permit waivers of resource and process standards based upon achievement of performance profiles consistent with accreditation status.

160.526. 1. In establishing the academic standards authorized by  $\mathbf{2}$ subsection 1 of section 160.514 and the statewide assessment system authorized by subsection 1 of section 160.518, the state board of education and the 3 Missouri board of school accreditation shall consider the work that has been 4 done by other states, recognized regional and national experts, professional  $\mathbf{5}$ education discipline-based associations and other professional education 6 associations. Further, in establishing the academic standards and statewide 7assessment system, the state board of education and the Missouri board of 8 9 school accreditation shall adopt the work that has been done by consortia of other states and, subject to appropriations, may contract with such consortia to 10 implement the provisions of sections 160.514 and 160.518. 11

2. The [state board of education] Missouri board of school accreditation shall, by contract enlist the assistance of such national experts, as approved by the commission established pursuant to section 160.510, to receive reports, advice and counsel on a regular basis pertaining to the validity and reliability of the statewide assessment system. The reports from such experts shall be received by the commission, which shall make a final determination

concerning the reliability and validity of the statewide assessment 18 19 system. Within six months prior to implementation of the statewide assessment system, the commissioner of education shall inform the president pro tempore of 20the senate and the speaker of the house about the procedures to implement the 2122assessment system, including a report related to the reliability and validity of the assessment instruments, and the general assembly may, within the next sixty 23legislative days, veto such implementation by concurrent resolution adopted by 24majority vote of both the senate and the house of representatives. 25

263. The commissioner of education shall establish a procedure for the state 27board of education to regularly receive advice and counsel from professional educators at all levels in the state, district boards of education, parents, 2829representatives from business and industry, and labor and community leaders 30 pertaining to the implementation of sections 160.514 and 160.518. The procedure shall include, at a minimum, the appointment of ad hoc committees and shall be 31 in addition to the advice and counsel obtained from the commission pursuant to 32section 160.510. 33

160.1100. 1. There is hereby established the Missouri Board of School Accreditation. The board shall be responsible for assigning accreditation classifications to school districts and developing a statewide assessment system for local school districts to determine the degree to which students are proficient in the knowledge, skills, and competencies necessary for students to successfully advance through the public elementary and secondary education system in Missouri.

8 2. The board shall not have authority to supervise the 9 instruction in the public schools of the state or to address school 10 curriculum.

3. The board shall promulgate rules and regulations to classify 11 12the public schools of the state, subject to limitations provided by law, 13establish requirements for the schools of each class, and formulate 14 rules governing the inspection and accreditation of schools preparatory 15to classification, with such requirements taking effect not less than two years from the date of adoption of the proposed rule by the state board 16 17of education, provided that this condition shall not apply to any requirement for which a time line for adoption is mandated in either 18 19 federal or state law.

4. The board's rules and regulations shall provide that the

21appropriate scoring guides, instruments, and procedures used in 22determining the accreditation status of a district shall be subject to a 23public meeting upon notice in a newspaper of general circulation in each of the three most populous cities in the state and also a newspaper 24that is a certified minority business enterprise or woman-owned 25business enterprise in each of the two most populous cities in the state, 26and notice to each district board of education, each superintendent of 2728a school district, and to the speaker of the house of representatives, the 29president pro tempore of the senate, and the members of the joint committee on education, at least fourteen days in advance of the 30 meeting, which shall be conducted by the board not less than ninety 31

32 days prior to their application in accreditation.

33 5. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section 34shall become effective only if it complies with and is subject to all of 35 36 the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers 37vested with the general assembly pursuant to chapter 536, to review, to 38 delay the effective date, or to disapprove and annul a rule are 39 subsequently held unconstitutional, then the grant of rulemaking 40 authority and any rule proposed or adopted after August 28, 2014, shall 41 42be invalid and void.

43 6. For purposes of this section, the word "board" shall mean the
44 Missouri board of school accreditation.

160.1105. 1. The Missouri board of school accreditation shall consist of eight lay members, with at least one member, but no more than two, from each congressional district. The governor shall appoint all members with the advice and consent of the senate. The term of office of each member shall be eight years, except for the initial appointments as provided in subsection 3 of this section.

2. The members of the board shall be citizens of high moral standards and recognized ability in their respective business or profession, who have resided in the state for at least five years immediately preceding their appointment. At no time shall more than four of the members be of the same political party. Of the eight members of the board, four of them shall be selected in the following manner:

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14	(1) One member shall be selected by the governor from a slate of
15	three recommended by the president pro tempore of the senate;
16	(2) One member shall be selected by the governor from a slate of
17	three recommended by the speaker of the house of representatives;
18	(3) One member shall be selected by the governor from a slate of
19	three recommended by a statewide association of school boards;
20	(4) One member shall be selected by the governor from a slate of
21	three recommended by the teacher association groups.
22	3. The members of the board first appointed shall be appointed
23	as follows, and identified as such by the governor:
24	(1) One for a term of one year;
25	(2) One for a term of two years;
26	(3) One for a term of three years;
27	(4) One for a term of four years;
28	(5) One for a term of five years;
29	(6) One for a term of six years;
30	(7) One for a term of seven years; and
31	(8) One for a term of eight years.
32	4. Members shall serve until their successors shall have been
33	appointed and shall have qualified.
34	5. Any member shall be eligible for reappointment.
35	6. If a vacancy occurs on the board, the governor shall make an
36	appointment for the remainder of the term. If a vacancy on the board
37	occurs while the general assembly is not in session, the governor shall
38	make a temporary appointment until the next session of the general
39	assembly, at which time a person shall be appointed to complete the
40	remainder of the term.
41	7. Board members shall serve without compensation but may be
42	reimbursed for necessary and actual expenses incurred in the
43	performances of official duties.
44	8. The board may employ an executive director and additional
45	staff as needed to carry out its duties.
	160.1110. The state board of education shall have no authority to
2	classify the public schools of the state or assign any accreditation

3 classification to any school district.

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161.092. The state board of education shall:

(1) Adopt rules governing its own proceedings and formulate policies for

3 the guidance of the commissioner of education and the department of elementary4 and secondary education;

5 (2) Carry out the educational policies of the state relating to public 6 schools that are provided by law and supervise instruction in the public schools;

7 (3) Direct the investment of all moneys received by the state to be applied 8 to the capital of any permanent fund established for the support of public 9 education within the jurisdiction of the department of elementary and secondary 10 education and see that the funds are applied to the branches of educational 11 interest of the state that by grant, gift, devise or law they were originally 12 intended, and if necessary institute suit for and collect the funds and return them 13 to their legitimate channels;

(4) Cause to be assembled information which will reflect continuously thecondition and management of the public schools of the state;

16 (5) Require of county clerks or treasurers, boards of education or other 17 school officers, recorders and treasurers of cities, towns and villages, copies of all 18 records required to be made by them and all other information in relation to the 19 funds and condition of schools and the management thereof that is deemed 20 necessary;

(6) Provide blanks suitable for use by officials in reporting the information
required by the board;

(7) When conditions demand, cause the laws relating to schools to be
published in a separate volume, with pertinent notes and comments, for the
guidance of those charged with the execution of the laws;

(8) Grant, without fee except as provided in section 168.021, certificates
of qualification and licenses to teach in any of the public schools of the state,
establish requirements therefor, formulate regulations governing the issuance
thereof, and cause the certificates to be revoked for the reasons and in the
manner provided in section 168.071;

(9) [Classify the public schools of the state, subject to limitations provided by law and subdivision (14) of this section, establish requirements for the schools of each class, and formulate rules governing the inspection and accreditation of schools preparatory to classification, with such requirements taking effect not less than two years from the date of adoption of the proposed rule by the state board of education, provided that this condition shall not apply to any requirement for which a time line for adoption is mandated in either federal or state law;

38 (10)] Make an annual report on or before the first Wednesday after the

39 first day of January to the general assembly or, when it is not in session, to the 40 governor for publication and transmission to the general assembly. The report 41 shall be for the last preceding school year, and shall include:

42 (a) A statement of the number of public schools in the state, the number43 of pupils attending the schools, their sex, and the branches taught;

44 (b) A statement of the number of teachers employed, their sex, their45 professional training, and their average salary;

46 (c) A statement of the receipts and disbursements of public school funds
47 of every description, their sources, and the purposes for which they were
48 disbursed;

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(d) Suggestions for the improvement of public schools; and

50 (e) Any other information relative to the educational interests of the state 51 that the law requires or the board deems important;

52 [(11)] (10) Make an annual report to the general assembly and the 53 governor concerning coordination with other agencies and departments of 54 government that support family literacy programs and other services which 55 influence educational attainment of children of all ages;

[(12)] (11) Require from the chief officer of each division of the department of elementary and secondary education, on or before the thirty-first day of August of each year, reports containing information the board deems important and desires for publication;

60 [(13)] (12) Cause fifty copies of its annual report to be reserved for the 61 use of each division of the state department of elementary and secondary 62 education, and ten copies for preservation in the state library;

63 (14) Promulgate rules under which the board shall classify the public schools of the state; provided that the appropriate scoring guides, instruments, 64 and procedures used in determining the accreditation status of a district shall be 65 subject to a public meeting upon notice in a newspaper of general circulation in 66 each of the three most populous cities in the state and also a newspaper that is 67 a certified minority business enterprise or woman-owned business enterprise in 68 each of the two most populous cities in the state, and notice to each district board 69 of education, each superintendent of a school district, and to the speaker of the 7071house of representatives, the president pro tem of the senate, and the members 72of the joint committee on education, at least fourteen days in advance of the meeting, which shall be conducted by the department of elementary and 73 74secondary education not less than ninety days prior to their application in accreditation, with all comments received to be reported to the state board ofeducation;

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(15)] (13) Have other powers and duties prescribed by law.

162.085. If a school district has been classified as unaccredited within the previous five school years and the district is subsequently classified as provisionally accredited, the district shall be subject to lapse on June thirtieth of any school year in which the [state board of education] Missouri board of school accreditation withdraws provisional accreditation or at a later date as determined by the [state board of education] Missouri board of school accreditation. The provisions of this section shall become effective January 1, 2010.

163.023. 1. Commencing September 1, 1997, a school district that has an  $\mathbf{2}$ operating levy for school purposes as defined in section 163.011, of less than the minimum value required by section 163.021, shall be classified as unaccredited 3 by the [state board of education] Missouri board of school accreditation and 4 shall be deemed to be an unclassified school district for all purposes under force 5 6 of law, pursuant to the authority of the state board of education to classify school districts pursuant to section 161.092, except that no school district shall be 7 8 classified as unaccredited or deemed to be an unclassified school district pursuant to this section if such district is ineligible to receive state aid under section 9 163.031, exclusive of categorical add-ons, because the district's local effort is 10 greater than its weighted average daily attendance multiplied by the state 11 12adequacy target multiplied by the dollar value modifier. No school district, 13except a district which is ineligible to receive state aid under section 163.031, 14 exclusive of categorical add-ons, because the district's local effort is greater than its weighted average daily attendance multiplied by the state adequacy target 15multiplied by the dollar value modifier, may be classified or reclassified as 16 17accredited until such district has an operating levy for school purposes which is equal to or greater than the minimum value required by section 18 19 163.021. Beginning July 1, 1998, the state board of education shall consider the 20results for a school district from the statewide assessment system developed 21pursuant to the provisions of section 160.518 when classifying a school district as 22authorized by subdivision (9) of section 161.092. Further, the state board of 23education shall consider the condition and adequacy of facilities of a school 24district when determining such classification.

25 2. For any school district classified unaccredited for any school year, the

26 [state board of education] Missouri board of school accreditation shall
27 conduct procedures to classify said school district for the first school year
28 following.

166.300. 1. As used in this section, the following words and phrases shall 2 mean:

3 (1) "Capital improvement projects", expenditures for lands or existing
4 buildings, improvements of grounds, construction of buildings, additions to
5 buildings, remodeling of buildings and initial equipment purchases;

6 (2) "School facility", a structure dedicated primarily to housing teachers 7 and students in the instructional process, but shall not include buildings 8 dedicated primarily to administrative and support functions within the school.

9 2. There is hereby created a revolving fund to be known as the "School 10 Building Revolving Fund". All forfeitures of assets transferred pursuant to section 166.131, all gifts and bequests to such fund, and such moneys as may be 11 appropriated to the fund shall be deposited into the school building revolving 12fund; except that no more than four hundred forty million dollars, in the 13 14 aggregate, shall be transferred to the fund. After a fund balance has been established by prior years' deposits and interest, school districts may submit 1516applications for lease purchases from the revolving fund for specific projects consistent with rules and regulations of the state board of education and 1718 subsection 3 of this section, except that no school district may be permitted to 19enter into a lease purchase from the school building revolving fund without first 20submitting a long-range capital improvements plan.

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3. To be eligible for a lease purchase authorized by this section:

(1) A school district shall meet the minimum criteria for state aid and forincreases in state aid established pursuant to section 163.021;

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(2) A school district shall provide a program which is accredited by the [state board of education] Missouri board of school accreditation for grades kindergarten through twelve or for grades kindergarten through eight; and

(3) A school district shall have an equalized, assessed valuation per
eligible pupil for the preceding year which is less than the statewide average
equalized, assessed valuation per eligible pupil for the preceding year; and

30 (4) A school district shall have a bonded indebtedness which is no less
31 than ninety percent of the constitutional limitation on indebtedness pursuant to
32 section 26(b) of article VI of the Constitution of Missouri.

4. Lease purchase applications shall be funded, as funds allow, first for

all applications pursuant to subdivision (1) of this subsection and then for 3435applications pursuant to subdivision (2) of this subsection and then for 36 applications pursuant to subdivision (3) of this subsection, and for funding of applications pursuant to a particular subdivision, applications shall be funded in 37the order that the applications are received by the department. If two or more 38applications are received on the same day, the district with the lowest appraised 39 valuation per pupil shall be given priority. Ranking of the applications for 40 offering of lease purchases shall be done in the following order: 41

42 (1) Districts with capital replacement costs in excess of insurance proceeds
43 due to facility destruction caused by fire or natural disaster shall be ranked on
44 the basis of percentage of bonding capacity;

45 (2) Districts with a cumulative percentage growth in fall membership for 46 the third through the fifth preceding years in excess of twelve percent and which 47 have a bonded indebtedness which is no less than ninety percent of the 48 constitutional limitation on indebtedness pursuant to section 26(b) of article VI 49 of the Constitution of Missouri; and

50 (3) Districts with an equalized assessed valuation per pupil which is less 51 than the statewide average equalized assessed valuation per pupil and which 52 have a bonded indebtedness which is no less than ninety percent of the 53 constitutional limitation on indebtedness pursuant to section 26(b) of article VI 54 of the Constitution of Missouri.

55 5. When building replacement is caused by fire or natural disaster, the 56 requirement for a school district to have a long-range capital improvements plan 57 may be waived by the state board of education.

586. Each school district participating in a lease purchase from the school building revolving fund shall repay such lease purchase in no more than ten 59annual payments made on or before June thirtieth of each year. The first such 60 payment shall be due and payable on June thirtieth of the first full fiscal year 61following receipt of lease purchase proceeds. Lease purchase repayments shall 62 be immediately deposited to the school building revolving fund by the 63 department. Interest charged to the school district shall not exceed three 64 65percent.

7. Any school district which fails to obligate the full amount of a loan from
the school building revolving fund for the allowable lease purchase must return
the unobligated amount plus interest earned to the department no later than
June thirtieth of the second full fiscal year after receipt of loan proceeds.

8. If a school district fails to make an annual payment to the school building revolving fund after notice of nonpayment by the department, members of the board of education and the school district's superintendent shall have violated section 162.091 and the attorney general of the state of Missouri shall be notified by the state board of education to begin prosecution procedures.

759. All property purchased pursuant to a lease purchase from the school building revolving fund shall remain the property of the state until such time as 76 the lease purchase has been fully repaid pursuant to this section. If a school 77 district does not make an annual payment to the school building revolving fund 7879after notice of nonpayment by the department, the state board of education may, 80 if the delinquency exceeds one hundred eighty days, take possession of the property. As a part of the lease purchase agreement, the school district shall 81 82 agree to assume all costs, obligations and liabilities for or arising out of 83 establishment, operation and maintenance of the lease purchase property. Other 84 provisions of law to the contrary notwithstanding, neither the state nor any state agency shall have any obligation for such costs, obligations or liabilities unless 85 86 and until the state board of education takes possession of the property pursuant to this subsection upon a school district's failure to make annual payments as 87 88 required in the lease purchase agreement.

89 10. Any unobligated cash balance in the school building revolving fund as 90 of the effective date of this act, shall be transferred to aid the public schools of 91 this state pursuant to section 163.031. Any and all deposits made to the school 92 building revolving fund after August 28, 2003, shall be immediately transferred 93 to the state school moneys fund, pursuant to section 166.051.

167.131. 1. The board of education of each district in this state that does not maintain an accredited school pursuant to the authority of the [state board of education] **Missouri board of school accreditation** to classify schools as established in section 161.092 shall pay the tuition of and provide transportation consistent with the provisions of section 167.241 for each pupil resident therein who attends an accredited school in another district of the same or an adjoining county.

8 2. The rate of tuition to be charged by the district attended and paid by 9 the sending district is the per pupil cost of maintaining the district's grade level 10 grouping which includes the school attended. The cost of maintaining a grade 11 level grouping shall be determined by the board of education of the district but 12 in no case shall it exceed all amounts spent for teachers' wages, incidental

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purposes, debt service, maintenance and replacements. The term "debt service", 13 14 as used in this section, means expenditures for the retirement of bonded 15indebtedness and expenditures for interest on bonded indebtedness. Per pupil cost of the grade level grouping shall be determined by dividing the cost of 16maintaining the grade level grouping by the average daily pupil attendance. If 17there is disagreement as to the amount of tuition to be paid, the facts shall be 18 submitted to the state board of education, and its decision in the matter shall be 19 20final. Subject to the limitations of this section, each pupil shall be free to attend 21the public school of his or her choice.

167.241. Transportation for pupils whose tuition the district of residence  $\mathbf{2}$ is required to pay by section 167.131 or who are assigned as provided in section 3 167.121 shall be provided by the district of residence; however, in the case of pupils covered by section 167.131, the district of residence shall be required to 4 provide transportation only to school districts accredited by the state board of 5education pursuant to the authority of the [state board of education] Missouri 6 board of school accreditation to classify schools as established in section 7 8 161.092 and those school districts designated by the board of education of the district of residence. 9

168.700. 1. This act shall be known, and may be cited, as the "Missouri 2 Teaching Fellows Program".

3 2. As used in this section, the following terms shall mean:

(1) "Department", the Missouri department of higher education;

5 (2) "Eligible applicant", a high school senior who:

6 (a) Is a United States citizen;

7 (b) Has a cumulative grade point average ranking in the top ten percentile 8 in their graduating class and scores in the top twenty percentile on either the 9 ACT or SAT assessment; or has a cumulative grade point average ranking in the 10 top twenty percentile in their graduating class and scores in the top ten 11 percentile of the ACT or SAT assessment;

(c) Upon graduation from high school, attends a Missouri higher education
institution and attains a teaching certificate and either a bachelors or graduate
degree with a cumulative grade point average of at least three-point zero on a
four-point scale or equivalent;

16 (d) Signs an agreement with the department in which the applicant agrees
17 to engage in qualified employment upon graduation from a higher education
18 institution for five years; and

(e) Upon graduation from the higher education institution, engages inqualified employment;

(3) "Qualified employment", employment as a teacher in a school located 2122in a school district that is not classified as accredited by the [state board of 23education] Missouri board of school accreditation at the time the eligible applicant signs their first contract to teach in such district. Preference in 24choosing schools to receive participating teachers shall be given to schools in such 25school districts with a higher-than-the-state-average of students eligible to receive 2627a reduced lunch price under the National School Act, 42 U.S.C. Section 1751, et 28seq., as amended;

(4) "Teacher", any employee of a school district, regularly required to be certified under laws relating to the certification of teachers, except superintendents and assistant superintendents but including certified teachers who teach at the prekindergarten level within a prekindergarten program in which no fees are charged to parents or guardians.

3. Within the limits of amounts appropriated therefor, the department 34 35 shall, upon proper verification to the department by an eligible applicant and the school district in which the applicant is engaged in qualified employment, enter 36 37into a one-year contract with eligible applicants to repay the interest and principal on the educational loans of the applicants or provide a stipend to the 3839 applicant as provided in subsection 4 of this section. The department may enter 40 into subsequent one-year contracts with eligible applicants, not to total more than five such contracts. The fifth one-year contract shall provide for a stipend to such 41 42applicants as provided in subsection 4 of this section. If the school district 43 becomes accredited at any time during which the eligible applicant is teaching at a school under a contract entered into pursuant to this section, nothing in this 44 section shall preclude the department and the eligible applicant from entering 45into subsequent contracts to teach within the school district. An eligible 46 applicant who does not enter into a contract with the department under the 47provisions of this subsection shall not be eligible for repayment of educational 48 loans or a stipend under the provisions of subsection 4 of this section. 49

50 4. At the conclusion of each of the first four academic years that an 51 eligible applicant engages in qualified employment, up to one-fourth of the 52 eligible applicant's educational loans, not to exceed five thousand dollars per 53 year, shall be repaid under terms provided in the contract. For applicants 54 without any educational loans, the applicant may receive a stipend of up to five

thousand dollars at the conclusion of each of the first four academic years that 5556the eligible applicant engages in qualified employment. At the conclusion of the fifth academic year that an eligible applicant engages in qualified employment, 57a stipend in an amount equal to one thousand dollars shall be granted to the 58eligible applicant. The maximum of five thousand dollars per year and the 59stipend of one thousand dollars shall be adjusted annually by the same 60 percentage as the increase in the general price level as measured by the 61 62 Consumer Price Index for All Urban Consumers for the United States, or its 63 successor index, as defined and officially recorded by the United States Department of Labor or its successor agency. The amount of any repayment of 64 65 educational loans or the issuance of a stipend under this subsection shall not 66 exceed the actual cost of tuition, required fees, and room and board for the 67 eligible applicant at the institution of higher education from which the eligible 68 applicant graduated.

5. The department shall maintain a Missouri teaching fellows program coordinator position, the main responsibility of which shall be the identification, recruitment, and selection of potential students meeting the requirements of paragraph (b) of subdivision (2) of subsection 2 of this section. In selecting potential students, the coordinator shall give preference to applicants that represent a variety of racial backgrounds in order to ensure a diverse group of eligible applicants.

6. The department shall promulgate rules to enforce the provisions of this section, including, but not limited to, applicant eligibility, selection criteria, and the content of loan repayment contracts. If the number of applicants exceeds the revenues available for loan repayment or stipends, priority shall be to those applicants with the highest high school grade-point average and highest scores on the ACT or SAT assessments.

82 7. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective 83 only if it complies with and is subject to all of the provisions of chapter 536 and, 84 if applicable, section 536.028. This section and chapter 536 are nonseverable and 85 if any of the powers vested with the general assembly pursuant to chapter 536 to 86 87 review, to delay the effective date, or to disapprove and annul a rule are 88 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void. 89

90 8. There is hereby created in the state treasury the "Missouri Teaching

91 Fellows Program Fund". The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 9230.180. Private donations, federal grants, and other funds provided for the 93 implementation of this section shall be placed in the Missouri teaching fellows 94 program fund. Upon appropriation, money in the fund shall be used solely for the 95repayment of loans and the payment of stipends under the provisions of this 96 section. Notwithstanding the provisions of section 33.080 to the contrary, any 97 moneys remaining in the fund at the end of the biennium shall not revert to the 98 99 credit of the general revenue fund. The state treasurer shall invest moneys in the 100 fund in the same manner as other funds are invested. Any interest and moneys 101 earned on such investments shall be credited to the fund.

9. Subject to appropriations, the general assembly shall include an amount necessary to properly fund this section, not to exceed one million dollars in any fiscal year. The maximum of one million dollars in any fiscal year shall be adjusted annually by the same percentage as the increase in the general price level as measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor index, as defined and officially recorded by the United States Department of Labor or its successor agency.

171.171. Work completed in schools accredited by the [state board of2 education] Missouri board of school accreditation shall be given full credit

3 in requirements for entrance to and classification in any educational institution

4 supported in whole or in part by state appropriation.