

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE SUBSTITUTE

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FOR

HOUSE BILL NO. 306

AN ACT

To repeal sections 160.415, 160.545, 162.720, 166.400, 166.410, 166.415, 166.420, 166.425, 166.435, 166.440, 166.456, 166.502, and 209.610, RSMo, and to enact in lieu thereof seventeen new sections relating to expanding choices for educational opportunities, with an emergency clause for a certain section.

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

Section A. Sections 160.415, 160.545, 162.720, 166.400, 166.410, 166.415, 166.420, 166.425, 166.435, 166.440, 166.456, 166.502, and 209.610, RSMo, are repealed and seventeen new sections enacted in lieu thereof, to be known as sections 160.415, 160.545, 160.565, 161.890, 162.720, 166.400, 166.410, 166.415, 166.420, 166.425, 166.435, 166.440, 166.456, 166.502, 167.850, 171.097, and 209.610, to read as follows:

160.415. 1. For the purposes of calculation and distribution of state school aid under section 163.031, pupils enrolled in a charter school shall be included in the pupil enrollment of the school district within which each pupil resides. Each charter school shall report the [names, addresses, and] eligibility for free and reduced price lunch, special education, or limited English proficiency status, as well as eligibility for categorical aid, of pupils resident in a school district who are enrolled in the charter school to the school district in which those pupils

reside. The charter school shall report the average daily attendance data, free and reduced price lunch count, special education pupil count, and limited English proficiency pupil count to the state department of elementary and secondary education. Each charter school shall promptly notify the state department of elementary and secondary education and the pupil's school district when a student discontinues enrollment at a charter school.

2. In all school districts except a metropolitan school district, this subsection shall apply to all school years ending on or before June 30, 2022. In all metropolitan school districts, this subsection shall apply to all school years ending on or before June 30, 2024.

Except as provided in subsections 3 and 4 of this section, the aid payments for charter schools shall be as described in this subsection.

(1) A school district having one or more resident pupils attending a charter school shall pay to the charter school an annual amount equal to the product of the charter school's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, plus local tax revenues per weighted average daily attendance from the incidental and teachers' funds in excess of the performance levy as defined in section 163.011 plus all other state aid attributable to such pupils.

(2) The district of residence of a pupil attending a charter school shall also pay to the charter school any other federal or state aid that the district receives on account of such **[child]** pupil.

(3) If the department overpays or underpays the amount due to the charter school, such overpayment or underpayment shall be repaid by the **[public]** charter school or credited

to the [public] charter school in twelve equal payments in the next fiscal year.

(4) The amounts provided pursuant to this subsection shall be prorated for partial year enrollment for a pupil.

(5) A school district shall pay the amounts due pursuant to this subsection as the disbursal agent and no later than twenty days following the receipt of any such funds. The department of elementary and secondary education shall pay the amounts due when it acts as the disbursal agent within five days of the required due date.

3. In all school districts except a metropolitan school district, this subsection shall apply to all school years ending on or before June 30, 2022. In all metropolitan school districts, this subsection shall apply to all school years ending on or before June 30, 2024. A workplace charter school shall receive payment for each eligible pupil as provided under subsection 2 of this section, except that if the student is not a resident of the district and is participating in a voluntary interdistrict transfer program, the payment for such pupils shall be the same as provided under section 162.1060.

4. In all school districts except a metropolitan school district, this subsection shall apply to all school years ending on or before June 30, 2022. In all metropolitan school districts, this subsection shall apply to all school years ending on or before June 30, 2024. A charter school that has declared itself as a local educational agency shall receive from the department of elementary and secondary education an annual amount equal to the product of the charter school's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, plus local tax revenues per weighted average daily attendance from the

incidental and teachers funds in excess of the performance levy as defined in section 163.011 plus all other state aid attributable to such pupils. If a charter school declares itself as a local educational agency, the department of elementary and secondary education shall, upon notice of the declaration, reduce the payment made to the school district by the amount specified in this subsection and pay directly to the charter school the annual amount reduced from the school district's payment.

5. In all school districts except a metropolitan school district, this subsection shall apply to all school years ending on or before June 30, 2022. In all metropolitan school districts, this subsection shall apply to all school years ending on or before June 30, 2024. If a school district fails to make timely payments of any amount for which it is the disbursal agent, the state department of elementary and secondary education shall authorize payment to the charter school of the amount due pursuant to subsection 2 of this section and shall deduct the same amount from the next state school aid apportionment to the owing school district. If a charter school is paid more or less than the amounts due pursuant to this section, the amount of overpayment or underpayment shall be adjusted equally in the next twelve payments by the school district or the department of elementary and secondary education, as appropriate. Any dispute between the school district and a charter school as to the amount owing to the charter school shall be resolved by the department of elementary and secondary education, and the department's decision shall be the final administrative action for the purposes of review pursuant to chapter 536. During the period of dispute, the department of elementary and secondary education shall make every administrative and statutory effort to allow the

continued education of children in their current [public] charter school setting.

6. The charter school and a local school board may agree by contract for services to be provided by the school district to the charter school. The charter school may contract with any other entity for services. Such services may include but are not limited to food service, custodial service, maintenance, management assistance, curriculum assistance, media services, and libraries and shall be subject to negotiation between the charter school and the local school board or other entity. Documented actual costs of such services shall be paid for by the charter school.

7. In the case of a proposed charter school that intends to contract with an education service provider for substantial educational services or management services, the request for proposals shall additionally require the charter school applicant 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 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;

(5) Ensure that the legal counsel for the charter school shall report directly to the charter school's governing board; and

(6) Provide a process to ensure that the expenditures that the education service provider intends to bill to the charter school shall receive prior approval of the governing board or its designee.

8. A charter school may enter into contracts with community partnerships and state agencies acting in collaboration with such partnerships that provide services to children and their families linked to the school.

9. A charter school shall be eligible for transportation state aid pursuant to section 163.161 and shall be free to contract with the local district, or any other entity, for the provision of transportation to the students of the charter school.

10. (1) The proportionate share of state and federal resources generated by students with disabilities or staff serving them shall be paid in full to charter schools enrolling those students by their school district where such enrollment is through a contract for services described in this section. The proportionate share of money generated under other federal or state categorical aid programs shall be directed to charter schools serving such students eligible for that aid.

(2) A charter school shall provide the special services provided pursuant to section 162.705 and may

provide the special services pursuant to a contract with a school district or any provider of such services.

11. A charter school [may] shall not charge tuition or impose fees that a school district is prohibited from charging or imposing, except that a charter school may receive tuition payments from districts in the same or an adjoining county for nonresident students who transfer to an approved charter school, as defined in section 167.895, from an unaccredited district.

12. A charter school is authorized to incur debt in anticipation of receipt of funds. A charter school may also borrow to finance facilities and other capital items. A school district may incur bonded indebtedness or take other measures to provide for physical facilities and other capital items for charter schools that it sponsors or contracts with. Except as otherwise specifically provided in sections 160.400 to 160.425, upon the dissolution of a charter school, any liabilities of the corporation will be satisfied through the procedures of chapter 355. A charter school shall satisfy all its financial obligations within twelve months of notice from the sponsor of the charter school's closure under subsection 8 of section 160.405. After satisfaction of all its financial obligations, a charter school shall return any remaining state and federal funds to the department of elementary and secondary education for disposition as stated in subdivision (17) of subsection 1 of section 160.405. 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.

13. Charter schools shall not have the power to acquire property by eminent domain.

14. The governing [body] board of a charter school is authorized to accept grants, gifts, or donations of any kind and to expend or use such grants, gifts, or donations. A grant, gift, or donation [may] shall not be accepted by the governing [body] board if it is subject to any condition contrary to law applicable to the charter school or other public schools, or contrary to the terms of the charter.

15. (1) As used in this section, the following terms mean:

(a) "Department", the department of elementary and secondary education;

(b) "Local aid", all local and county revenue received by the school district and charter schools within the school district. The term "local aid":

a. Includes, but is not limited to, the following:

(i) Property taxes and delinquent taxes;

(ii) Merchants' and manufacturers' tax revenues, except that an urban school district containing most or all of a city with a population greater than three hundred fifty thousand inhabitants may annually withhold merchants' and manufacturers' tax revenues required for repayment of Series 2009, Series 2010, Series 2015, and Series 2016 bonds. Such school district shall not withhold merchants' and manufacturers' tax revenues after the fiscal year ending June 30, 2036;

(iii) Financial institutions' tax revenues;

(iv) City sales tax revenue, including city sales tax collected in any city not within a county;

(v) Payments in lieu of taxes;

(vi) Revenues from state-assessed railroad and utilities tax; and

(vii) Any future aid; and

b. Shall not be construed to include:

(i) Charitable contributions, gifts, and grants made to school districts and charter schools;

(ii) Interest earnings of school districts and charter schools;

(iii) Student fees paid to school districts and charter schools;

(iv) Debt service authorized by a public vote for the purpose of making payments on a bond issuance of a school district;

(v) Proposition C revenues received for school purposes from the school district trust fund under section 163.087; or

(vi) Any other funding solely intended for a particular school district or charter school and its respective employees, schools, foundations, or organizations.

(2) Notwithstanding any other provision of law to the contrary, the calculation in this subsection shall be used to calculate state and local aid only for charter schools operated in:

(a) A metropolitan school district;

(b) An urban school district containing part or all of a city with more than three hundred fifty thousand inhabitants;

(c) A school district that has been classified as unaccredited by the state board of education;

(d) A school district that has been accredited without provisions, sponsored only by the local school board. No board with a current school year enrollment of at least one thousand five hundred fifty students shall permit more than thirty-five percent of the school district's student enrollment to enroll in charter schools sponsored by the

local board under the authority of this subdivision, except that this restriction shall not apply to any school district that subsequently becomes eligible under paragraph (a) or (b) of this subdivision or to any district accredited without provisions that sponsors charter schools prior to having a current school year student enrollment of at least one thousand five hundred fifty students; or

(e) A school district that has been classified as provisionally accredited by the state board of education and has received scores on its annual performance report consistent with a classification of provisionally accredited or unaccredited for three consecutive school years beginning with the 2012-13 accreditation year under the following conditions:

a. 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

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

(3) Each charter school and each school district responsible for distributing local aid to charter schools under this subsection shall include as part of its annual independent audit an audit of pupil residency, enrollment, and attendance in order to verify pupil residency in the school district or local education agency.

(4) A school district having one or more resident pupils attending a charter school shall pay to the charter school an annual amount equal to the product of the charter school's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, less the charter school's share of local effort as defined in section 163.011 plus all other state aid attributable to such pupils plus local aid received by the school district divided by the total weighted average daily attendance of the school district and all charter schools within the school district per weighted average daily attendance of the charter school.

(5) A charter school that has declared itself a local educational agency shall receive all state aid calculated under this subsection from the department and all local aid calculated under this subsection from the school district. A charter school shall receive an annual amount equal to the product of the charter school's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, less the charter school's share of local effort as defined in section 163.011 plus all other state aid attributable to such pupils plus local aid received by the school district divided by the total weighted average daily attendance of the school district and all charter schools within the school district per weighted average daily attendance of the charter school.

(6) (a) The school district shall withhold, from the January local effort payment received by the school district, an annual administrative fee for the purpose of supporting administrative costs the school district incurs for charter schools operating within the school district. The administrative fee shall be equal to one-fourth of one percent of the sum of the prior year's state aid received by

the school district, the prior year's state aid received by the charter schools within the school district, and the prior year's local aid received by the school district and the charter schools within the school district. As used in this paragraph, "state aid" means the product of the school district or charter school's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, less the school district or charter school's share of local effort as defined in section 163.011.

(b) On or before December thirty-first of each year, the school district shall transmit to the department the total annual local aid calculation described in subdivision (7) of this subsection. If the school district fails to transmit the annual local aid calculation to the department, the school district shall not withhold the administrative fee.

(c) The department shall calculate the administrative fee under the formula in this subdivision using data from the previous school year. On or before January fifteenth of the following year, the department shall transmit to the school district the calculation of the administrative fee and make such calculation publicly available on the department's website.

(7) Each month the school district shall calculate the amount of local aid received by the school district that is owed to the charter school by the school district under this subsection. The school district shall pay to the charter school the amount of local aid owed to the charter school, as calculated by the school district using the previous month's weighted average daily attendance of the charter school. If any payment of local aid is due, the school district shall make monthly payments on the twenty-first day

of each month or upon the closest business day beginning in July of each year.

(a) If the school district fails to make timely payment, the department shall impose any penalty the department deems appropriate.

(b) The school district shall, as part of its annual audit as required by section 165.111, include a report converting the local aid received from an accrual basis to a cash basis. Such report shall be made publicly available on its district website in a searchable format or as a downloadable and searchable document.

(8) The department shall conduct an annual review of any payments made in the previous fiscal year under subdivision (7) of this subsection to determine if there has been any underpayment or overpayment. The annual review, to be conducted in January of each year, shall include a calculation of the amount of local aid owed to charter schools using the first preceding year's annual audit required by section 165.111. The school district shall pay to the charter school the amount of local aid owed to the charter school as calculated by the department. In the event of an underpayment, the school district shall remit the underpayment amount to the charter school. In the event of an overpayment, the charter school shall remit the overpayment amount to the school district.

(a) If the school district fails to remit any underpayment amount to the charter school within thirty days of notification of the underpayment amount, the department shall impose any penalty the department deems appropriate.

(b) If the charter school fails to remit any overpayment amount to the school district within thirty days of notification of the overpayment amount, the department shall impose any penalty the department deems appropriate.

(9) If a prior year correction of the amount of local aid is necessary, the school district shall recalculate the amount owed to a charter school and either remit any underpayment amount to the charter school or provide a bill to the charter school for any overpayment amount. Any underpayment or overpayment amount shall be remitted under the schedules in paragraphs (a) and (b) of subdivision (8) of this subsection.

(10) (a) The annual review conducted pursuant to subdivision (8) of this subsection shall also assess whether public school and charter school recipients of state and local taxpayer dollars provide similar amounts and quality of services to schools and their pupils, including but not limited to:

- a. Taxpayer accountability for use of public funds;
- b. Transparency in accreditation standards and classifications;
- c. Student transportation;
- d. School calendar allowances and requirements;
- e. Ability to enroll and accommodate new students;
- f. Teacher certification; and
- g. Teacher retention.

(b) The results of the annual assessment shall be a public record and distributed to the general assembly.

(11) (a) For the purposes of this subdivision, net cost for providing special educational services for the school district and each charter school within the school district shall be calculated as the total special educational services costs minus the total special educational services funding.

(b) For the purposes of this subdivision, total special educational services costs shall be calculated as the sum of the total cost of the following as reported on

the annual secretary of the board report for the school district and each charter school within the school district:

- a. Department-defined special education instruction;
- b. Tuition for special education programs;
- c. Health services;
- d. Psychology services;
- e. Speech and language services;
- f. Audiology services;
- g. Occupational therapy;
- h. Physical therapy;
- i. Visually impaired services; and
- j. Special education transportation services.

(c) For the purposes of this subdivision, total special educational services funding shall be calculated as the sum of the state aid and local effort per weighted average daily attendance for the school district and the sum of the state aid and local aid per weighted average daily attendance for the charter schools within the school district multiplied by the total number of students with an individualized educational plan as reported in December to the department, plus any funds received under 162.974, plus any funds received under the federal Individuals with Disabilities Education Act (IDEA) (20 U.S.C. Section 1400, et seq.), as amended, plus any additional weighted state aid funds received as a result of serving a percentage of special education students that exceeds the special educational threshold as defined in 163.011. As used in this subdivision, "school district state aid" means the product of the school district's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, less the school district's share of local effort as defined in section 163.011. As used in this subdivision, "charter school state

aid" means the product of the charter school's weighted average daily attendance and the state adequacy target, multiplied by the dollar value modifier for the district, less the charter school's share of local effort as defined in section 163.011.

(d) Each school district that has charter schools operating within the school district and each charter school shall, as part of the annual audit provided to the department, report the number of students with an individualized educational plan, the costs incurred for providing special educational services as described in paragraph (b) of this subdivision, the amount of funds drawn down under section 162.974, and the amount of funds drawn down under the federal Individuals with Disabilities Education Act (IDEA) (20 U.S.C. Section 1400, et seq.), as amended.

(e) On or before February fourteenth of each year, the department shall calculate for each school district that has charter schools operating within the school district and each charter school the net cost for providing special educational services. The department shall transmit such calculations to the charter school or school district and make such calculations publicly available on the department's website.

(f) The February local aid payment to charter schools within the school district shall be paid from the total local aid funds received in January by the school district. The February local aid payment per weighted average daily attendance to charter schools within the school district shall be calculated as follows:

a. The school district shall withhold the administrative fee described in paragraph (a) of subdivision

(6) of this subsection from the total local aid funds received in January by the school district.

b. After withholding the administrative fee, the school district shall withhold from the remaining local aid funds an amount equal to the school district's prior year positive net cost for providing special educational services only if the school district is determined to have a positive net cost by the department under paragraph (e) of this subdivision.

c. After withholding the administrative fee, the school district shall withhold from the remaining local aid funds an amount equal to the sum of the prior year positive net cost for providing special educational services for charter schools within the school district for charter schools determined to have a positive net cost by the department under paragraph (e) of this subdivision. No later than February twenty-eighth of each year the school district shall distribute such funds to each charter school determined to have a positive net cost an amount equal to each charter school's positive net cost as calculated under paragraph (e) of this subdivision.

d. After withholding the administrative fee and special education funds under subparagraphs a., b., and c. of this paragraph, the school district shall divide the remaining local aid funds by the sum of the current year estimated weighted average daily attendance for January of the school district plus the sum of the current year estimated weighted average daily attendance for January of all charter schools within the school district.

e. To determine the amount of the February local aid payment to each charter school within the school district, the school district shall multiply the value calculated in subparagraph d. of this paragraph by the current year

estimated weighted average daily attendance for January for each charter school within the school district. The school district shall distribute the February local aid payment to each charter school within the school district on or before February twenty-eighth.

(g) The department shall adjust the net cost for providing special educational services for each charter school and each school district that has charter schools operating within the school district based on the report required in paragraph (d) of this subdivision for reasons including, but not limited to, underreporting or overreporting the number of students with an individualized educational plan or the cost to provide services to students with an individualized educational plan, failure to draw down funds under section 162.974, failure to draw down or accrue for within the applicable fiscal year all funds to which the charter school or school district is entitled under the federal Individuals with Disabilities Education Act (IDEA) (20 U.S.C. Section 1400 et seq.), as amended, and costs determined by the department to be excessive relative to the special educational services provided.

(h) Any funds received by the school district or charter school under this subdivision shall not be considered when calculating a withhold or payment in paragraph (f) of this subdivision in the following year.

(i) In all school districts except a metropolitan school district, this subdivision shall apply beginning on February 1, 2024. In all metropolitan school districts, this subdivision shall apply beginning on February 1, 2026.

(12) In all school districts except a metropolitan school district, this subsection shall apply to all school years beginning on or after July 1, 2022. In all

metropolitan school districts, this subsection shall apply to all school years beginning on or after July 1, 2024.

16. The department may promulgate rules for the annual review of payments and any penalties to be assessed under subsection 15 of this section. 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 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

160.545. 1. There is hereby established within the department of elementary and secondary education the "A+ Schools Program" to be administered by the commissioner of education. The program shall consist of grant awards made to public secondary schools that demonstrate a commitment to ensure that:

- (1) All students be graduated from school;
- (2) All students complete a selection of high school studies that is challenging and for which there are identified learning expectations; and
- (3) All students:
 - (a) Earn credits toward any type of college degree while in high school; or
 - (b) Proceed from high school graduation to a college or postsecondary vocational or technical school or high-wage job with work place skill development opportunities.

2. The state board of education shall promulgate rules and regulations for the approval of grants made under the program to schools that:

(1) Establish measurable districtwide performance standards for the goals of the program outlined in subsection 1 of this section; and

(2) Specify the knowledge, skills and competencies, in measurable terms, that students must demonstrate to successfully complete any individual course offered by the school, and any course of studies [which] that will qualify a student for graduation from the school; and

(3) Do not offer a general track of courses that, upon completion, can lead to a high school diploma; and

(4) Require rigorous coursework with standards of competency in basic academic subjects for students pursuing vocational and technical education as prescribed by rule and regulation of the state board of education; and

(5) Have a partnership plan developed in cooperation and with the advice of local business persons, labor leaders, parents, and representatives of college and postsecondary vocational and technical school representatives, with the plan then approved by the local board of education. The plan shall specify a mechanism to receive information on an annual basis from those who developed the plan in addition to senior citizens, community leaders, and teachers to update the plan in order to best meet the goals of the program as provided in subsection 1 of this section. Further, the plan shall detail the procedures used in the school to identify students that may drop out of school and the intervention services to be used to meet the needs of such students. The plan shall outline counseling and mentoring services provided to students who will enter the work force upon graduation from high school, address

apprenticeship and intern programs, and shall contain procedures for the recruitment of volunteers from the community of the school to serve in schools receiving program grants.

3. Any nonpublic school in this state may apply to the state board of education for certification that it meets the requirements of this section subject to the same criteria as public high schools. Every nonpublic school that applies and has met the requirements of this section shall have its students eligible for reimbursement of postsecondary education under subsection 8 of this section on an equal basis to students who graduate from public schools that meet the requirements of this section. Any nonpublic school that applies shall not be eligible for any grants under this section. Students of certified nonpublic schools shall be eligible for reimbursement of postsecondary education under subsection 8 of this section so long as they meet the other requirements of such subsection. For purposes of subdivision (5) of subsection 2 of this section, the nonpublic school shall be included in the partnership plan developed by the public school district in which the nonpublic school is located. For purposes of subdivision (1) of subsection 2 of this section, the nonpublic school shall establish measurable performance standards for the goals of the program for every school and grade level over which the nonpublic school maintains control.

4. A school district may participate in the program irrespective of its accreditation classification by the state board of education, provided it meets all other requirements.

5. By rule and regulation, the state board of education may determine a local school district variable fund match requirement in order for a school or schools in

the district to receive a grant under the program. However, no school in any district shall receive a grant under the program unless the district designates a salaried employee to serve as the program coordinator, with the district assuming a minimum of one-half the cost of the salary and other benefits provided to the coordinator. Further, no school in any district shall receive a grant under the program unless the district makes available facilities and services for adult literacy training as specified by rule of the state board of education.

6. For any school that meets the requirements for the approval of the grants authorized by this section and specified in subsection 2 of this section for three successive school years, by August first following the third such school year, the commissioner of education shall present a plan to the superintendent of the school district in which such school 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 of instructional services in the school. The provisions of other law to the contrary notwithstanding, the plan presented to the superintendent shall provide a 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 contrary notwithstanding, the plan shall detail a means for the waiver of requirements otherwise imposed on the school related to the authority of the state board of education to classify school districts pursuant to subdivision (9) of section 161.092 and such other rules and regulations as determined by the commissioner of education, except such waivers shall be confined to the school and not other schools in the school district unless such other schools

meet the requirements of this subsection. However, any waiver 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 requirements for the approval of the grants authorized by this section as specified in subsection 2 of this section.

7. For any school year, grants authorized by subsections 1, 2, and 5 of this section shall be funded with the amount appropriated for this program, less those funds necessary to reimburse eligible students pursuant to subsection 8 or 9 of this section.

8. The department of higher education and workforce development shall, by rule, establish a procedure for the reimbursement of the cost of tuition, books and fees to any public community college or vocational or technical school or within the limits established in subsection 11 of this section for any two-year private vocational or technical school for any student:

(1) Who has attended a high school in the state for at least two years that meets the requirements of subsection 2 of this section and who has graduated from such a school; except that, students who are active duty military dependents, and students who are dependents of retired military who relocate to Missouri within one year of the date of the parent's retirement from active duty who meet all other requirements of this subsection and are attending a school that meets the requirements of subsection 2 of this section shall be exempt from the two-year attendance requirement of this subdivision; and

(2) Who has made a good faith effort to first secure all available federal sources of funding that could be applied to the reimbursement described in this subsection; and

(3) Who has earned a minimal grade average while in high school or through the semester immediately before taking the course for which reimbursement is sought as determined by rule of the department of higher education and workforce development, and other requirements for the reimbursement authorized by this subsection as determined by rule and regulation of the department. When determining whether a student has earned a minimal grade average in the 2019-20 or 2020-21 school years for purposes of this subdivision, the department shall apply the student's highest available high school grade average so that the student is not adversely affected by any negative change in the student's academic performance directly caused by the coronavirus named SARS-CoV-2, the international outbreak of respiratory disease named "coronavirus disease 2019" and abbreviated as "COVID-19", or any changes in methods of instruction implemented by the student's school district because of COVID-19. Any rule establishing a requirement that a student obtain a certain algebra end-of-course examination score or other applicable standardized test score, as determined by the department, shall not apply to a high school senior graduating in the 2020-21 school year; and

(4) Who is a citizen or permanent resident of the United States.

9. The department of higher education and workforce development shall, by rule, establish a procedure for the reimbursement of the cost of tuition, and fees for any dual-credit or dual-enrollment course offered to a student in high school in association with an institution of higher education or vocational or technical school, subject to the requirements of subsection 11 of this section, for any student who meets the requirements established in subsection

8 of this section immediately before taking the course for which reimbursement is sought.

10. The commissioner of education shall develop a procedure for evaluating the effectiveness of the program described in this section. Such evaluation shall be conducted annually with the results of the evaluation provided to the governor, speaker of the house, and president pro tempore of the senate.

11. For a two-year private vocational or technical school to obtain reimbursements under subsection 8 or 9 of this section, the following requirements shall be satisfied:

(1) Such two-year private vocational or technical school shall be a member of the North Central Association and be accredited by the Higher Learning Commission as of July 1, 2008, and maintain such accreditation;

(2) Such two-year private vocational or technical school shall be designated as a 501(c)(3) nonprofit organization under the Internal Revenue Code of 1986, as amended;

(3) No two-year private vocational or technical school shall receive tuition reimbursements in excess of the tuition rate charged by a public community college for course work offered by the private vocational or technical school within the service area of such college; and

(4) The reimbursements provided to any two-year private vocational or technical school shall not violate the provisions of Article IX, Section 8, or Article I, Section 7, of the Missouri Constitution or the first amendment of the United States Constitution.

12. The department of higher education and workforce development shall distribute reimbursements in the following manner:

(1) To community college or vocational or technical school students;

(2) After all students from subdivision (1) of this subsection have been reimbursed, to any dual-credit or dual-enrollment student on the basis of financial need.

160.565. 1. This act shall be known and may be cited as the "Extended Learning Opportunities Act".

2. For the purposes of the provisions of this section, the following terms shall mean:

(1) "Extended learning opportunity", an out-of-classroom learning experience, approved by the state board of education, a local school board, or a charter school, that provides a student with:

(a) Enrichment opportunities;

(b) Career readiness or employability skills opportunities, including internships, pre-apprenticeships, and apprenticeships; or

(c) Any other approved educational opportunity;

(2) "Student", any child attending an elementary or secondary public school or charter school in kindergarten through the twelfth grade.

3. Beginning with the 2022-23 school year, the state board of education and each local school board shall routinely inform students and their parents of the ability to earn credit for participating in extended learning opportunities. Employees of the state board of education, public schools, and charter schools may assist students and their parents in completing enrollment processes required for participating in approved extended learning opportunities. No student or parent shall be required to obtain permission from the student's school district or charter school to enroll in an extended learning opportunity, provided that, prior to participating in any

extended learning opportunity, the student and at least one parent shall sign an agreement detailing all program requirements in a form developed by the state board of education.

4. An extended learning opportunity shall count as a credit toward graduation requirements and the achievement of applicable state standards for students. To receive credit, a student shall submit a written request for credit and proof of successful completion of the extended learning opportunity to a designated administrator of the school the student attends.

5. The state board of education shall adopt, and each local school district shall distribute and implement, extended learning opportunities policies that provides all of the following:

(1) An application process for accepting and approving extended learning opportunities offered for credit from outside entities;

(2) A list of entities that are eligible to submit applications to offer extended learning opportunities, including:

(a) Nonprofit organizations;

(b) Business with established locations in the state;

(c) Trade associations; and

(d) The Armed Forces of the United States, subject to applicable age requirements;

(3) A process for students of their parents to request credit;

(4) Criteria school districts and charter schools shall use to determine whether a proposed extended learning opportunity shall be approved;

(5) Criteria school districts and charter schools shall use to award a certificate of completion and credit

for completing an extended learning opportunity, including allowing a student to demonstrate competencies through performance-based assessments and other methods independent of instructional time and credit hours.

6. An entity approved by the state board of education to offer an extended learning opportunity shall be automatically qualified to offer that extended learning opportunity for all school districts and charter schools.

7. A student who successfully completes an approved extended learning opportunity and satisfies criteria for the award of a certification of completion and credit pursuant to subdivision (5) of subsection 5 of this section shall be considered to have completed all required coursework for the particular course. In an extended learning opportunity that satisfies all required coursework for a high school course, the student shall also be considered to have satisfied the equivalent number of credits toward his or her graduation requirements.

8. Any policy or procedure adopted by the state board of education, a school board, or a charter school for participating in an extended learning opportunity shall provide every student an equal opportunity to participate and shall satisfy established timelines and requirements for purposes of transcribing credits and state reporting.

9. The state board of education may promulgate rules to implement the provisions of this section. 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 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay

the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

161.890. 1. There is hereby established the "School Accountability Board". No later than January 1, 2022, board members shall be appointed as follows:

(1) The commissioner of education shall choose two members from among no more than three individuals from each of the following organizations:

(a) The Missouri association of school administrators;

(b) The Missouri chapter of the national education association;

(c) The Missouri chapter of the Missouri state teachers association; and

(d) The Missouri school board association;

(2) The commissioner shall choose one member from among no more than four individuals nominated by the Missouri public charter school commission;

(3) The commissioner shall choose one member from among no more than four individuals nominated by the Missouri charter public school association;

(4) The president pro tempore of the senate shall choose four members at large with demonstrated expertise in education policy and school improvement, none of whom shall be employees of a public school district or the immediate family members thereof, and two of whom shall be researchers with expertise on the impact of education and economic development;

(5) The speaker of the house of representatives shall choose:

(a) Two members from business and industry with demonstrated commitment to education; and

(b) Two members at large with demonstrated expertise in education policy and school improvement, none of whom shall be employees of a public school district or the immediate family members thereof.

Members appointed under subdivisions (1), (2), and (3) of this subsection shall serve at the pleasure of the commissioner of education. Members appointed under subdivision (4) of this subsection shall serve at the pleasure of the president pro tempore of the senate.

Members appointed under subdivision (5) of this subsection shall serve at the pleasure of the speaker of the house of representatives.

2. (1) By February 1, 2022, and every four years thereafter, the president pro tempore of the senate shall appoint a chairperson, and the speaker of the house of representatives shall appoint a vice chairperson, from among the members of the board.

(2) By February 1, 2024, and every four years thereafter, the speaker of the house of representatives shall appoint a chairperson, and president pro tempore of the senate shall appoint a vice chairperson, from among the members of the board.

(3) The chairperson and vice chairperson shall each serve in such roles at the pleasure of the official who appointed each of them, respectively.

(4) The chairperson shall call a meeting of the board at least once per quarter.

(5) The vice chairperson shall act in the absence of the chairperson.

3. The department of elementary and secondary education shall appoint a representative to participate in each meeting of the board.

4. The accountability board shall advise the state board of education and department of elementary and secondary education on matters pertaining to the development and implementation of the state's school improvement program by:

(1) Working with department and state board of education staff to develop all rules and regulations related to school and district accountability and improvement prior to adoption;

(2) Advising the department and state board of education on policies and practices related to school and district accountability and improvement;

(3) Developing and reviewing the results of an annual, department-administered survey of schools and districts receiving technical assistance related to accountability and improvement; and

(4) Presenting findings and recommendations pertaining to school and district accountability and improvement to the state board of education at least once per quarter.

162.720. 1. (1) This subdivision shall apply to all school years ending on or before June 30, 2023. Where a sufficient number of children are determined to be gifted and their development requires programs or services beyond the level of those ordinarily provided in regular public school programs, districts may establish special programs for such gifted children.

(2) For all school years beginning on or after July 1, 2023, if three percent or more of students enrolled in a school district are determined to be gifted and their development requires programs or services beyond the level of those ordinarily provided in regular public school programs, the district shall establish a state-approved gifted program for gifted children.

2. For all school years beginning on or after July 1, 2023, any teacher providing gifted services to students in districts with an average daily attendance of more than three hundred fifty students shall be certificated in gifted education. In districts with an average daily attendance of three hundred fifty students or fewer, any teacher providing gifted services shall not be required to be certificated to teach gifted education but such teacher shall annually participate in at least six clock hours of professional development paid for by the school district focused on gifted services.

3. The state board of education shall determine standards for such gifted programs and gifted services. Approval of [such] gifted programs shall be made by the state department of elementary and secondary education based upon project applications submitted [by July fifteenth of each year] at a time and in a form determined by the department of elementary and secondary education.

[3.] 4. No district shall make a determination as to whether a child is gifted based on the child's participation in an advanced placement course or international baccalaureate course. Districts shall determine a child is gifted only if the child meets the definition of gifted children as provided in section 162.675.

[4.] 5. Any district with a gifted education program approved under subsection [2] 3 of this section shall have a policy, approved by the board of education of the district, that establishes a process that outlines the procedures and conditions under which parents or guardians may request a review of the decision that determined that their child did not qualify to receive services through the district's gifted education program.

[5.] 6. School districts and school district employees shall be immune from liability for any and all acts or omissions relating to the decision that a child did not qualify to receive services through the district's gifted education program.

7. The department of elementary and secondary education may promulgate rules to implement the provisions of this section. 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 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

166.400. Sections 166.400 to 166.455 shall be known and may be cited as the "Missouri Education [Savings] Program".

166.410. [Definitions.] As used in sections 166.400 to 166.455, except where the context clearly requires another interpretation, the following terms mean:

(1) "Beneficiary", any individual designated by a participation agreement to benefit from payments for qualified education expenses at an eligible educational institution;

(2) "Benefits", the payment of qualified education expenses on behalf of a beneficiary from a savings account during the beneficiary's attendance at an eligible educational institution;

(3) "Board", the Missouri education [savings] program board established in section 166.415;

(4) "Eligible educational institution", an [institution of postsecondary education] eligible educational institution as defined in Section [529(e)(5)] 529 of the Internal Revenue Code, [and institutions of elementary and secondary education as provided in Sections 529(c)(7) and 529(e)(3) of the Internal Revenue Code,] as amended;

(5) "Financial institution", a bank, insurance company or registered investment company;

(6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;

(7) "Missouri education [savings] program" or "[savings] program", the program created pursuant to sections 166.400 to 166.455;

(8) "Participant", a person who has entered into a participation agreement pursuant to sections 166.400 to 166.455 for the advance payment of qualified education expenses on behalf of a beneficiary;

(9) "Participation agreement", an agreement between a participant and the board pursuant to and conforming with the requirements of sections 166.400 to 166.455; and

(10) "Qualified higher education expenses" or "qualified education expenses", the qualified costs of tuition and fees and other expenses for attendance at an eligible educational institution, as defined in Section [529(e)(3)] 529 of the Internal Revenue Code, as amended.

166.415. 1. There is hereby created the "Missouri Education [Savings] Program". The program shall be administered by the Missouri education [savings] program board which shall consist of the Missouri state treasurer who shall serve as chairman, the commissioner of the

department of higher education and workforce development, the commissioner of education, the commissioner of the office of administration, the director of the department of economic development, two persons having demonstrable experience and knowledge in the areas of finance or the investment and management of public funds, one of whom is selected by the president pro tem of the senate and one of whom is selected by the speaker of the house of representatives, and one person having demonstrable experience and knowledge in the area of banking or deposit rate determination and placement of depository certificates of deposit or other deposit investments. Such member shall be appointed by the governor with the advice and consent of the senate. The three appointed members shall be appointed to serve for terms of four years from the date of appointment, or until their successors shall have been appointed and shall have qualified. The members of the board shall be subject to the conflict of interest provisions of section 105.452. Any member who violates the conflict of interest provisions shall be removed from the board. In order to establish and administer the [savings] program, the board, in addition to its other powers and authority, shall have the power and authority to:

(1) Develop and implement the Missouri education [savings] program and, notwithstanding any provision of sections 166.400 to 166.455 to the contrary, the [savings] programs and services consistent with the purposes and objectives of sections 166.400 to 166.455;

(2) Promulgate reasonable rules and regulations and establish policies and procedures to implement sections 166.400 to 166.455, to permit the [savings] program to qualify as a "qualified state tuition program" pursuant to

Section 529 of the Internal Revenue Code and to ensure the [savings] program's compliance with all applicable laws;

(3) Develop and implement educational programs and related informational materials for participants, either directly or through a contractual arrangement with a financial institution for investment services, and their families, including special programs and materials to inform families with young children regarding methods for financing education and training;

(4) Enter into agreements with any financial institution, the state or any federal or other agency or entity as required for the operation of the [savings] program pursuant to sections 166.400 to 166.455;

(5) Enter into participation agreements with participants;

(6) Accept any grants, gifts, legislative appropriations, and other moneys from the state, any unit of federal, state, or local government or any other person, firm, partnership, or corporation for deposit to the account of the [savings] program;

(7) Invest the funds received from participants in appropriate investment instruments to achieve long-term total return through a combination of capital appreciation and current income;

(8) Make appropriate payments and distributions on behalf of beneficiaries pursuant to participation agreements;

(9) Make refunds to participants upon the termination of participation agreements pursuant to the provisions, limitations, and restrictions set forth in sections 166.400 to 166.455 and the rules adopted by the board;

(10) Make provision for the payment of costs of administration and operation of the [savings] program;

(11) Effectuate and carry out all the powers granted by sections 166.400 to 166.455, and have all other powers necessary to carry out and effectuate the purposes, objectives and provisions of sections 166.400 to 166.455 pertaining to the [savings] program; and

(12) Procure insurance, guarantees or other protections against any loss in connection with the assets or activities of the [savings] program.

2. Any member of the board may designate a proxy for that member who will enjoy the full voting privileges of that member for the one meeting so specified by that member. No more than three proxies shall be considered members of the board for the purpose of establishing a quorum.

3. Four members of the board shall constitute a quorum. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the board. No action shall be taken by the board except upon the affirmative vote of a majority of the members present.

4. The board shall meet within the state of Missouri at the time set at a previously scheduled meeting or by the request of any four members of the board. Notice of the meeting shall be delivered to all other trustees in person or by depositing notice in a United States post office in a properly stamped and addressed envelope not less than six days prior to the date fixed for the meeting. The board may meet at any time by unanimous mutual consent. There shall be at least one meeting in each quarter.

5. The funds shall be invested only in those investments which a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims, as

provided in section 105.688. For new contracts entered into after August 28, 2012, board members shall study investment plans of other states and contract with or negotiate to provide benefit options the same as or similar to other states' qualified plans for the purpose of offering additional options for members of the plan. The board may delegate to duly appointed investment counselors authority to act in place of the board in the investment and reinvestment of all or part of the moneys and may also delegate to such counselors the authority to act in place of the board in the holding, purchasing, selling, assigning, transferring or disposing of any or all of the securities and investments in which such moneys shall have been invested, as well as the proceeds of such investments and such moneys. Such investment counselors shall be registered as investment advisors with the United States Securities and Exchange Commission. In exercising or delegating its investment powers and authority, members of the board shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. No member of the board shall be liable for any action taken or omitted with respect to the exercise of, or delegation of, these powers and authority if such member shall have discharged the duties of [his or her] the member's position in good faith and with that degree of diligence, care and skill which a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.

6. No investment transaction authorized by the board shall be handled by any company or firm in which a member of the board has a substantial interest, nor shall any member

of the board profit directly or indirectly from any such investment.

7. No trustee or employee of the [savings] program shall receive any gain or profit from any funds or transaction of the [savings] program. Any trustee, employee or agent of the [savings] program accepting any gratuity or compensation for the purpose of influencing such trustee's, employee's or agent's action with respect to the investment or management of the funds of the [savings] program shall thereby forfeit the office and in addition thereto be subject to the penalties prescribed for bribery.

166.420. 1. The board may enter into [savings] program participation agreements with participants on behalf of beneficiaries pursuant to the provisions of sections 166.400 to 166.455, including the following terms and conditions:

(1) A participation agreement shall stipulate the terms and conditions of the [savings] program in which the participant makes contributions;

(2) A participation agreement shall specify the method for calculating the return on the contribution made by the participant;

(3) The execution of a participation agreement by the board shall not guarantee that the beneficiary named in any participation agreement will be admitted to an eligible educational institution, be allowed to continue to attend an eligible educational institution after having been admitted or will graduate from an eligible educational institution;

(4) A participation agreement shall clearly and prominently disclose to participants the risk associated with depositing moneys with the board;

(5) Participation agreements shall be organized and presented in a way and with language that is easily understandable by the general public; and

(6) A participation agreement shall clearly and prominently disclose to participants the existence of any load charge or similar charge assessed against the accounts of the participants for administration or services.

2. The board shall establish the maximum amount **[which]** that may be contributed annually **[by a participant]** with respect to a beneficiary.

3. The board shall establish a total contribution limit for savings accounts established under the **[savings]** program with respect to a beneficiary to permit the **[savings]** program to qualify as a "qualified state tuition program" pursuant to Section 529 of the Internal Revenue Code. No contribution may be made to a savings account for a beneficiary if it would cause the balance of all savings accounts of the beneficiary to exceed the total contribution limit established by the board. The board may establish other requirements that it deems appropriate to provide adequate safeguards to prevent contributions on behalf of a beneficiary from exceeding what is necessary to provide for the qualified education expenses of the beneficiary.

4. The board shall establish the minimum length of time that contributions and earnings must be held by the **[savings]** program to qualify pursuant to section 166.435. Any contributions or earnings that are withdrawn or distributed from a savings account prior to the expiration of the minimum length of time, as established by the board, shall be subject to a penalty pursuant to section 166.430.

166.425. All money paid by a participant in connection with participation agreements shall be deposited as received and shall be promptly invested by the board. Contributions

and earnings thereon accumulated on behalf of participants in the [savings] program may be used, as provided in the participation agreement, for qualified education expenses. Such contributions and earnings shall not be considered income for purposes of determining a participant's eligibility for financial assistance under any state student aid program.

166.435. 1. Notwithstanding any law to the contrary, the assets of the [savings] program held by the board, the assets of any deposit program authorized in section 166.500, and the assets of any qualified tuition [savings] program established pursuant to Section 529 of the Internal Revenue Code and any income therefrom shall be exempt from all taxation by the state or any of its political subdivisions. Income earned or received from the [savings] program, deposit, or other qualified tuition [savings] programs established under Section 529 of the Internal Revenue Code, or refunds of qualified education expenses received by a beneficiary from an eligible educational institution in connection with withdrawal from enrollment at such institution which are contributed within sixty days of withdrawal to a qualified tuition [savings] program of which such individual is a beneficiary shall not be subject to state income tax imposed pursuant to chapter 143 and shall be eligible for any benefits provided in accordance with Section 529 of the Internal Revenue Code. The exemption from taxation pursuant to this section shall apply only to assets and income maintained, accrued, or expended pursuant to the requirements of the [savings] program established pursuant to sections 166.400 to 166.455, the deposit program established pursuant to sections 166.500 to 166.529, and other qualified tuition [savings] programs established under Section 529 of the Internal Revenue Code, and no exemption

shall apply to assets and income expended for any other purposes. Annual contributions made to the [savings] program held by the board, the deposit program, and any qualified tuition [savings] program established under Section 529 of the Internal Revenue Code up to and including eight thousand dollars per [participating] taxpayer, and up to sixteen thousand dollars for married individuals filing a joint tax return, shall be subtracted in determining Missouri adjusted gross income pursuant to section 143.121.

2. If any deductible contributions to or earnings from any such program referred to in this section are distributed and not used to pay qualified education expenses, not transferred as allowed by 26 U.S.C. Section 529(c)(3)(C)(i), as amended, and any Internal Revenue Service regulations or guidance issued in relation thereto, or are not held for the minimum length of time established by the appropriate Missouri board, then the amount so distributed shall be included in the Missouri adjusted gross income of the participant, or, if the participant is not living, the beneficiary.

3. The provisions of this section shall apply to tax years beginning on or after January 1, 2008, and the provisions of this section with regard to sections 166.500 to 166.529 shall apply to tax years beginning on or after January 1, 2004.

166.440. The assets of the [savings] program shall at all times be preserved, invested and expended only for the purposes set forth in this section and in accordance with the participation agreements, and no property rights therein shall exist in favor of the state.

166.456. All personally identifiable information concerning participants and beneficiaries of accounts established within the Missouri education [savings] program

pursuant to sections 166.400 to 166.456 shall be confidential, and any disclosure of such information shall be restricted to purposes directly connected with the administration of the program.

166.502. As used in sections 166.500 to 166.529, except where the context clearly requires another interpretation, the following terms mean:

(1) "Beneficiary", any individual designated by a participation agreement to benefit from payments for qualified higher education expenses at an eligible educational institution;

(2) "Benefits", the payment of qualified higher education expenses on behalf of a beneficiary from a deposit account during the beneficiary's attendance at an eligible educational institution;

(3) "Board", the Missouri education [savings] program board established in section 166.415;

(4) "Eligible educational institution", an institution of postsecondary education as defined in Section 529(e)(5) of the Internal Revenue Code;

(5) "Financial institution", a depository institution and any intermediary that brokers certificates of deposits;

(6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;

(7) "Missouri higher education deposit program" or "deposit program", the program created pursuant to sections 166.500 to 166.529;

(8) "Participant", a person who has entered into a participation agreement pursuant to sections 166.500 to 166.529 for the advance payment of qualified higher education expenses on behalf of a beneficiary;

(9) "Participation agreement", an agreement between a participant and the board pursuant to and conforming with the requirements of sections 166.500 to 166.529;

(10) "Qualified higher education expenses", the qualified costs of tuition and fees and other expenses for attendance at an eligible educational institution, as defined in Section 529(e)(3) of the Internal Revenue Code of 1986, as amended.

167.850. 1. For purposes of the provisions of this section, the following terms shall mean:

(1) "Board", the state board of education;

(2) "Commissioner", the commissioner of education;

(3) "Eligible student", a student who is in recovery from substance use disorder or substance dependency, or such a condition along with co-occurring disorders such as anxiety, depression, and attention deficit hyperactivity disorder, and who is determined by a recovery high school to be a student who would academically and clinically benefit from placement in the recovery high school and is committed to working on their recovery. The recovery high school shall consider available information including any recommendation of a drug counselor, alcoholism counselor, or substance abuse counselor licensed or certified pursuant to applicable laws and regulations;

(4) "Recovery high school", a public high school that serves eligible students, and that provides both a comprehensive four-year high school education in an alternative public school setting and a structured plan of recovery;

(5) "Sending district", the school district where a student attending or planning to attend the recovery high school resides, and from which the student is referred for enrollment in a recovery high school.

2. (1) The commissioner may approve and authorize up to four pilot recovery high schools, geographically located in metropolitan areas throughout the state, to be established by school districts or groups of school districts for the purpose of demonstrating the effectiveness of the recovery high school model in this state. The commissioner shall issue a request for proposals from school districts to operate a pilot recovery high school. Such proposals may be submitted by an individual school district proposing to operate a recovery high school, or by a group of school districts proposing to jointly operate such a school. Such proposals shall be submitted to the commissioner no later than December first of the school year prior to the school year in which the recovery high school is proposed to begin operation. The approval of the board shall be required in order for the recovery high school to begin operation.

(2) Proposals shall detail how the district or districts will satisfy the criteria for a high school education program pursuant to state law and board rule, and how the recovery high school will satisfy the requirements for accreditation by the Association of Recovery Schools or another recovery school accreditation organization authorized by the board. The district or districts may partner with one or more local nonprofit organizations regarding establishment and operation of a recovery high school and may establish a joint board to oversee the operation of the recovery high school, pursuant to a memorandum of understanding entered with such organization or organizations.

(3) By approval of the proposal upon the recommendation of the commissioner, the board shall be

deemed to have authorized all necessary equivalencies and waivers of regulations enumerated in the proposal.

(4) The commissioner may specify an authorization period for the recovery high school which shall be no less than four years. By June thirtieth of each year the recovery high school is in operation, the school district or group of school districts, in consultation with the recovery high school, shall submit to the commissioner an analysis of the recovery high school's educational, recovery and other related outcomes, as specified in the proposal. The commissioner shall review the analysis and renew recovery high schools meeting the requirements of this section and the requirements of the school's proposal and may include terms and conditions to address areas needing correction or improvement. The commissioner may revoke or suspend the authorization of a recovery high school not meeting the requirements of this section or the requirements of the school's proposal.

3. (1) A school district may enter into an agreement with a district or districts operating a recovery high school for the enrollment of an eligible student who is currently enrolled in or resides in the sending district.

(2) A parent or guardian may seek to enroll an eligible student residing in a sending district in a recovery high school created under this section. A student over the age of eighteen years residing in a sending district may seek to enroll in a recovery high school.

(3) A recovery high school shall not limit or deny admission to an eligible student based on race, ethnicity, national origin, disability, income level, proficiency in the English language, or athletic ability.

4. (1) The recovery high school shall annually adopt a policy establishing a tuition rate for its students no later than February first of the preceding school year.

(2) The sending district of an eligible student who is enrolled in and attending a recovery high school shall pay tuition to the recovery high school equal to the lesser of:

(a) The tuition rate established pursuant to subdivision (1) of this subsection; or

(b) The state adequacy target, as defined under section 163.011, plus the average sum produced per child by the local tax effort above the state adequacy target of the sending district.

(3) If costs associated with the provision of special education and related disability services to the student exceed the tuition to be paid pursuant to subdivision (2) of this subsection, the sending district shall remain responsible for paying the excess cost to the recovery high school.

(4) The commissioner may enter into an agreement with the appropriate official or agency of another state to develop a reciprocity agreement for otherwise eligible, non-resident students seeking to attend a recovery high school in Missouri. A recovery high school may enroll otherwise eligible students residing in a state other than Missouri, pursuant to such reciprocity agreement. Such reciprocity agreement shall require the out-of-state student's district of residence to pay to the recovery high school an annual amount equal to one hundred and five percent of the tuition rate for the recovery high school established pursuant to this subsection. If an otherwise eligible student resides in a state that is not subject to a reciprocity agreement, such student may attend a recovery high school provided such student pays to the school one hundred and five percent of

the tuition rate for the recovery high school established pursuant to this subsection. No student enrolled and attending a recovery high school under this subdivision shall be included as a resident pupil for any state aid purpose under chapter 163.

5. The state board of education, in consultation with the department of mental health, may promulgate rules to implement the provisions of this section. 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 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

171.097. 1. School districts shall ensure that a state criminal history background check consisting of open records is conducted on any person who is eighteen years of age or older, who is not counted by the district for purposes of average daily attendance under section 163.011, and who requests enrollment in a course that takes place on school district property during regular school hours and includes students counted by the district for purposes of average daily attendance under section 163.011.

2. The state criminal history background check required under this section shall be processed through the Missouri state highway patrol prior to enrollment. The person requesting enrollment in a course as described in

this section shall pay the fee for the state criminal history background check pursuant to section 43.530.

3. If, as a result of the criminal history background check required under this section, it is determined that a person who requested enrollment has been convicted of a crime or offense listed in subsection 6 of section 168.071, or a similar crime or offense committed in another state, the United States, or any other country, regardless of imposition of sentence, the school district shall prohibit such person from enrolling in any course for which a state criminal history background check is required under this section.

209.610. 1. The board may enter into ABLE program participation agreements with participants on behalf of designated beneficiaries pursuant to the provisions of sections 209.600 to 209.645, including the following terms and conditions:

(1) A participation agreement shall stipulate the terms and conditions of the ABLE program in which the participant makes contributions;

(2) A participation agreement shall specify the method for calculating the return on the contribution made by the participant;

(3) A participation agreement shall clearly and prominently disclose to participants the risk associated with depositing moneys with the board;

(4) Participation agreements shall be organized and presented in a way and with language that is easily understandable by the general public; and

(5) A participation agreement shall clearly and prominently disclose to participants the existence of any load charge or similar charge assessed against the accounts of the participants for administration or services.

2. The board shall establish the maximum amount of contributions which may be made annually to an ABLE account, which shall be the same as the amount allowed by 26 U.S.C. Section 529A of the Internal Revenue Code of 1986, as amended.

3. The board shall establish a total contribution limit for savings accounts established under the ABLE program with respect to a designated beneficiary which shall in no event be less than the amount established as the contribution limit by the Missouri education [savings] program board for qualified tuition [savings] programs established under sections 166.400 to 166.450. No contribution shall be made to an ABLE account for a designated beneficiary if it would cause the balance of the ABLE account of the designated beneficiary to exceed the total contribution limit established by the board. The board may establish other requirements that it deems appropriate to provide adequate safeguards to prevent contributions on behalf of a designated beneficiary from exceeding what is necessary to provide for the qualified disability expenses of the designated beneficiary.

4. The board shall establish the minimum length of time that contributions and earnings must be held by the ABLE program to qualify as tax exempt pursuant to section 209.625. Any contributions or earnings that are withdrawn or distributed from an ABLE account prior to the expiration of the minimum length of time, as established by the board, shall be subject to a penalty pursuant to section 209.620.

Section B. Because immediate action is necessary to protect students from adverse impacts to student success in educational and career endeavors caused by COVID-19 and related disruptions in school routines, the repeal and reenactment of section 160.545 of this act is deemed

necessary for the immediate preservation of the public health, welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the repeal and reenactment of section 160.545 of this act shall be in full force and effect upon its passage and approval.