

SENATE BILL NO. 1378

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR ARTHUR.

5254S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 163.011, RSMo, and to enact in lieu thereof one new section relating to the calculation of weighted average daily attendance, with an effective date.

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

Section A. Section 163.011, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 163.011,
3 to read as follows:

163.011. As used in this chapter unless the context
2 requires otherwise:

3 (1) "Adjusted operating levy", the sum of tax rates
4 for the current year for teachers' and incidental funds for
5 a school district as reported to the proper officer of each
6 county pursuant to section 164.011;

7 (2) "Average daily attendance", the quotient or the
8 sum of the quotients obtained by dividing the total number
9 of hours attended in a term by resident pupils between the
10 ages of five and twenty-one by the actual number of hours
11 school was in session in that term. To the average daily
12 attendance of the following school term shall be added the
13 full-time equivalent average daily attendance of summer
14 school students. "Full-time equivalent average daily
15 attendance of summer school students" shall be computed by
16 dividing the total number of hours, except for physical
17 education hours that do not count as credit toward
18 graduation for students in grades nine, ten, eleven, and

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

19 twelve, attended by all summer school pupils by the number
20 of hours required in section 160.011 in the school term.
21 For purposes of determining average daily attendance under
22 this subdivision, the term "resident pupil" shall include
23 all children between the ages of five and twenty-one who are
24 residents of the school district and who are attending
25 kindergarten through grade twelve in such district. If a
26 child is attending school in a district other than the
27 district of residence and the child's parent is teaching in
28 the school district or is a regular employee of the school
29 district which the child is attending, then such child shall
30 be considered a resident pupil of the school district which
31 the child is attending for such period of time when the
32 district of residence is not otherwise liable for tuition.
33 Average daily attendance for students below the age of five
34 years for which a school district may receive state aid
35 based on such attendance shall be computed as regular school
36 term attendance unless otherwise provided by law;

37 (3) "Current operating expenditures":

38 (a) For the fiscal year 2007 calculation, "current
39 operating expenditures" shall be calculated using data from
40 fiscal year 2004 and shall be calculated as all expenditures
41 for instruction and support services except capital outlay
42 and debt service expenditures minus the revenue from federal
43 categorical sources; food service; student activities;
44 categorical payments for transportation costs pursuant to
45 section 163.161; state reimbursements for early childhood
46 special education; the career ladder entitlement for the
47 district, as provided for in sections 168.500 to 168.515;
48 the vocational education entitlement for the district, as
49 provided for in section 167.332; and payments from other
50 districts;

51 (b) In every fiscal year subsequent to fiscal year
52 2007, current operating expenditures shall be the amount in
53 paragraph (a) of this subdivision plus any increases in
54 state funding pursuant to sections 163.031 and 163.043
55 subsequent to fiscal year 2005, not to exceed five percent,
56 per recalculation, of the state revenue received by a
57 district in the 2004-05 school year from the foundation
58 formula, line 14, gifted, remedial reading, exceptional
59 pupil aid, fair share, and free textbook payments for any
60 district from the first preceding calculation of the state
61 adequacy target;

62 (4) "District's tax rate ceiling", the highest tax
63 rate ceiling in effect subsequent to the 1980 tax year or
64 any subsequent year. Such tax rate ceiling shall not
65 contain any tax levy for debt service;

66 (5) "Dollar-value modifier", an index of the relative
67 purchasing power of a dollar, calculated as one plus fifteen
68 percent of the difference of the regional wage ratio minus
69 one, provided that the dollar value modifier shall not be
70 applied at a rate less than 1.0:

71 (a) "County wage per job", the total county wage and
72 salary disbursements divided by the total county wage and
73 salary employment for each county and the City of St. Louis
74 as reported by the Bureau of Economic Analysis of the United
75 States Department of Commerce for the fourth year preceding
76 the payment year;

77 (b) "Regional wage per job":

78 a. The total Missouri wage and salary disbursements of
79 the metropolitan area as defined by the Office of Management
80 and Budget divided by the total Missouri metropolitan wage
81 and salary employment for the metropolitan area for the
82 county signified in the school district number or the City

83 of St. Louis, as reported by the Bureau of Economic Analysis
84 of the United States Department of Commerce for the fourth
85 year preceding the payment year and recalculated upon every
86 decennial census to incorporate counties that are newly
87 added to the description of metropolitan areas; or if no
88 such metropolitan area is established, then:

89 b. The total Missouri wage and salary disbursements of
90 the micropolitan area as defined by the Office of Management
91 and Budget divided by the total Missouri micropolitan wage
92 and salary employment for the micropolitan area for the
93 county signified in the school district number, as reported
94 by the Bureau of Economic Analysis of the United States
95 Department of Commerce for the fourth year preceding the
96 payment year, if a micropolitan area for such county has
97 been established and recalculated upon every decennial
98 census to incorporate counties that are newly added to the
99 description of micropolitan areas; or

100 c. If a county is not part of a metropolitan or
101 micropolitan area as established by the Office of Management
102 and Budget, then the county wage per job, as defined in
103 paragraph (a) of this subdivision, shall be used for the
104 school district, as signified by the school district number;

105 (c) "Regional wage ratio", the ratio of the regional
106 wage per job divided by the state median wage per job;

107 (d) "State median wage per job", the fifty-eighth
108 highest county wage per job;

109 (6) "Free and reduced price lunch pupil count", for
110 school districts not eligible for and those that do not
111 choose the USDA Community Eligibility Option, the number of
112 pupils eligible for free and reduced price lunch on the last
113 Wednesday in January for the preceding school year who were
114 enrolled as students of the district, as approved by the

115 department in accordance with applicable federal
116 regulations. For eligible school districts that choose the
117 USDA Community Eligibility Option, the free and reduced
118 price lunch pupil count shall be the percentage of free and
119 reduced price lunch students calculated as eligible on the
120 last Wednesday in January of the most recent school year
121 that included household applications to determine free and
122 reduced price lunch count multiplied by the district's
123 average daily attendance figure;

124 (7) "Free and reduced price lunch threshold" shall be
125 calculated by dividing the total free and reduced price
126 lunch pupil count of every performance district that falls
127 entirely above the bottom five percent and entirely below
128 the top five percent of average daily attendance, when such
129 districts are rank-ordered based on their current operating
130 expenditures per average daily attendance, by the total
131 average daily attendance of all included performance
132 districts;

133 (8) "Limited English proficiency pupil count", the
134 number in the preceding school year of pupils aged three
135 through twenty-one enrolled or preparing to enroll in an
136 elementary school or secondary school who were not born in
137 the United States or whose native language is a language
138 other than English or are Native American or Alaskan native,
139 or a native resident of the outlying areas, and come from an
140 environment where a language other than English has had a
141 significant impact on such individuals' level of English
142 language proficiency, or are migratory, whose native
143 language is a language other than English, and who come from
144 an environment where a language other than English is
145 dominant; and have difficulties in speaking, reading,
146 writing, or understanding the English language sufficient to

147 deny such individuals the ability to meet the state's
148 proficient level of achievement on state assessments
149 described in Public Law 107-10, the ability to achieve
150 successfully in classrooms where the language of instruction
151 is English, or the opportunity to participate fully in
152 society;

153 (9) "Limited English proficiency threshold" shall be
154 calculated by dividing the total limited English proficiency
155 pupil count of every performance district that falls
156 entirely above the bottom five percent and entirely below
157 the top five percent of average daily attendance, when such
158 districts are rank-ordered based on their current operating
159 expenditures per average daily attendance, by the total
160 average daily attendance of all included performance
161 districts;

162 (10) "Local effort":

163 (a) For the fiscal year 2007 calculation, "local
164 effort" shall be computed as the equalized assessed
165 valuation of the property of a school district in calendar
166 year 2004 divided by one hundred and multiplied by the
167 performance levy less the percentage retained by the county
168 assessor and collector plus one hundred percent of the
169 amount received in fiscal year 2005 for school purposes from
170 intangible taxes, fines, escheats, payments in lieu of taxes
171 and receipts from state-assessed railroad and utility tax,
172 one hundred percent of the amount received for school
173 purposes pursuant to the merchants' and manufacturers' taxes
174 under sections 150.010 to 150.370, one hundred percent of
175 the amounts received for school purposes from federal
176 properties under sections 12.070 and 12.080 except when such
177 amounts are used in the calculation of federal impact aid
178 pursuant to P.L. 81-874, fifty percent of Proposition C

179 revenues received for school purposes from the school
180 district trust fund under section 163.087, and one hundred
181 percent of any local earnings or income taxes received by
182 the district for school purposes. Under this paragraph, for
183 a special district established under sections 162.815 to
184 162.940 in a county with a charter form of government and
185 with more than one million inhabitants, a tax levy of zero
186 shall be utilized in lieu of the performance levy for the
187 special school district;

188 (b) In every year subsequent to fiscal year 2007,
189 "local effort" shall be the amount calculated under
190 paragraph (a) of this subdivision plus any increase in the
191 amount received for school purposes from fines. If a
192 district's assessed valuation has decreased subsequent to
193 the calculation outlined in paragraph (a) of this
194 subdivision, the district's local effort shall be calculated
195 using the district's current assessed valuation in lieu of
196 the assessed valuation utilized in the calculation outlined
197 in paragraph (a) of this subdivision. When a change in a
198 school district's boundary lines occurs because of a
199 boundary line change, annexation, attachment, consolidation,
200 reorganization, or dissolution under section 162.071,
201 162.081, sections 162.171 to 162.201, section 162.221,
202 162.223, 162.431, 162.441, or 162.451, or in the event that
203 a school district assumes any territory from a district that
204 ceases to exist for any reason, the department of elementary
205 and secondary education shall make a proper adjustment to
206 each affected district's local effort, so that each
207 district's local effort figure conforms to the new boundary
208 lines of the district. The department shall compute the
209 local effort figure by applying the calendar year 2004
210 assessed valuation data to the new land areas resulting from

211 the boundary line change, annexation, attachment,
212 consolidation, reorganization, or dissolution and otherwise
213 follow the procedures described in this subdivision;

214 (11) "Membership" shall be the average of:

215 (a) The number of resident full-time students and the
216 full-time equivalent number of part-time students who were
217 enrolled in the public schools of the district on the last
218 Wednesday in September of the previous year and who were in
219 attendance one day or more during the preceding ten school
220 days; and

221 (b) The number of resident full-time students and the
222 full-time equivalent number of part-time students who were
223 enrolled in the public schools of the district on the last
224 Wednesday in January of the previous year and who were in
225 attendance one day or more during the preceding ten school
226 days, plus the full-time equivalent number of summer school
227 pupils. "Full-time equivalent number of part-time students"
228 is determined by dividing the total number of hours for
229 which all part-time students are enrolled by the number of
230 hours in the school term. "Full-time equivalent number of
231 summer school pupils" is determined by dividing the total
232 number of hours for which all summer school pupils were
233 enrolled by the number of hours required pursuant to section
234 160.011 in the school term. Only students eligible to be
235 counted for average daily attendance shall be counted for
236 membership;

237 (12) "Operating levy for school purposes", the sum of
238 tax rates levied for teachers' and incidental funds plus the
239 operating levy or sales tax equivalent pursuant to section
240 162.1100 of any transitional school district containing the
241 school district, in the payment year, not including any

242 equalized operating levy for school purposes levied by a
243 special school district in which the district is located;

244 (13) "Performance district", any district that has met
245 performance standards and indicators as established by the
246 department of elementary and secondary education for
247 purposes of accreditation under section 161.092 and as
248 reported on the final annual performance report for that
249 district each year; for calculations to be utilized for
250 payments in fiscal years subsequent to fiscal year 2018, the
251 number of performance districts shall not exceed twenty-five
252 percent of all public school districts;

253 (14) "Performance levy", three dollars and forty-three
254 cents;

255 (15) "School purposes" pertains to teachers' and
256 incidental funds;

257 (16) "Special education pupil count", the number of
258 public school students with a current individualized
259 education program or services plan and receiving services
260 from the resident district as of December first of the
261 preceding school year, except for special education services
262 provided through a school district established under
263 sections 162.815 to 162.940 in a county with a charter form
264 of government and with more than one million inhabitants, in
265 which case the sum of the students in each district within
266 the county exceeding the special education threshold of each
267 respective district within the county shall be counted
268 within the special district and not in the district of
269 residence for purposes of distributing the state aid derived
270 from the special education pupil count;

271 (17) "Special education threshold" shall be calculated
272 by dividing the total special education pupil count of every
273 performance district that falls entirely above the bottom

274 five percent and entirely below the top five percent of
275 average daily attendance, when such districts are rank-
276 ordered based on their current operating expenditures per
277 average daily attendance, by the total average daily
278 attendance of all included performance districts;

279 (18) "State adequacy target", the sum of the current
280 operating expenditures of every performance district that
281 falls entirely above the bottom five percent and entirely
282 below the top five percent of average daily attendance, when
283 such districts are rank-ordered based on their current
284 operating expenditures per average daily attendance, divided
285 by the total average daily attendance of all included
286 performance districts. The department of elementary and
287 secondary education shall first calculate the state adequacy
288 target for fiscal year 2007 and recalculate the state
289 adequacy target every two years using the most current
290 available data. The recalculation shall never result in a
291 decrease from the state adequacy target as calculated for
292 fiscal years 2017 and 2018 and any state adequacy target
293 figure calculated subsequent to fiscal year 2018. Should a
294 recalculation result in an increase in the state adequacy
295 target amount, fifty percent of that increase shall be
296 included in the state adequacy target amount in the year of
297 recalculation, and fifty percent of that increase shall be
298 included in the state adequacy target amount in the
299 subsequent year. The state adequacy target may be adjusted
300 to accommodate available appropriations as provided in
301 subsection 7 of section 163.031;

302 (19) "Teacher", any teacher, teacher-secretary,
303 substitute teacher, supervisor, principal, supervising
304 principal, superintendent or assistant superintendent,
305 school nurse, social worker, counselor or librarian who

306 shall, regularly, teach or be employed for no higher than
307 grade twelve more than one-half time in the public schools
308 and who is certified under the laws governing the
309 certification of teachers in Missouri;

310 (20) "Weighted average daily attendance" [,]:

311 (a) **The sum of fifty hundredths multiplied by**
312 **paragraph (b) of this subdivision plus fifty hundredths**
313 **multiplied by the weighted membership;**

314 (b) The average daily attendance plus the product of
315 twenty-five hundredths multiplied by the free and reduced
316 price lunch pupil count that exceeds the free and reduced
317 price lunch threshold, plus the product of seventy-five
318 hundredths multiplied by the number of special education
319 pupil count that exceeds the special education threshold,
320 plus the product of six-tenths multiplied by the number of
321 limited English proficiency pupil count that exceeds the
322 limited English proficiency threshold. For special
323 districts established under sections 162.815 to 162.940 in a
324 county with a charter form of government and with more than
325 one million inhabitants, weighted average daily attendance
326 shall be the average daily attendance plus the product of
327 twenty-five hundredths multiplied by the free and reduced
328 price lunch pupil count that exceeds the free and reduced
329 price lunch threshold, plus the product of seventy-five
330 hundredths multiplied by the sum of the special education
331 pupil count that exceeds the threshold for each county
332 district, plus the product of six-tenths multiplied by the
333 limited English proficiency pupil count that exceeds the
334 limited English proficiency threshold. None of the
335 districts comprising a special district established under
336 sections 162.815 to 162.940 in a county with a charter form
337 of government and with more than one million inhabitants,

338 shall use any special education pupil count in calculating
339 their weighted average daily attendance;

340 (21) "Weighted membership", the membership plus the
341 product of twenty-five hundredths multiplied by the free and
342 reduced price lunch pupil count that exceeds the free and
343 reduced price lunch threshold, plus the product of seventy-
344 five hundredths multiplied by the number of special
345 education pupil count that exceeds the special education
346 threshold, plus the product of six-tenths multiplied by the
347 number of limited English proficiency pupil count that
348 exceeds the limited English proficiency threshold. For
349 special districts established under sections 162.815 to
350 162.940 in a county with more than one million inhabitants,
351 weighted membership shall be the membership plus the product
352 of twenty-five hundredths multiplied by the free and reduced
353 price lunch pupil count that exceeds the free and reduced
354 price lunch threshold, plus the product of seventy-five
355 hundredths multiplied by the sum of the special education
356 pupil count that exceeds the threshold for each county
357 district, plus the product of six-tenths multiplied by the
358 limited English proficiency pupil count that exceeds the
359 limited English proficiency threshold. None of the
360 districts comprising a special district established under
361 sections 162.815 to 162.940 in a county with more than one
362 million inhabitants shall use any special education pupil
363 count in calculating their weighted membership.

Section B. Section A of this act shall become
2 effective July 1, 2025.

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