

SECOND REGULAR SESSION

# SENATE BILL NO. 1483

## 103RD GENERAL ASSEMBLY

---

INTRODUCED BY SENATOR HENDERSON.

---

5947S.01I

---

KRISTINA MARTIN, Secretary

### AN ACT

To repeal sections 160.054, 160.055, 160.415, 162.301, 162.411, 162.511, 162.531, 162.700, 162.890, 163.011, 164.131, 164.161, 164.191, 164.201, 164.221, 164.261, 164.301, 165.141, 170.014, 177.073, 177.086, and 177.091, RSMo, and to enact in lieu thereof twenty-one new sections relating to elementary and secondary schools.

---

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

Section A. Sections 160.054, 160.055, 160.415, 162.301,  
2 162.411, 162.511, 162.531, 162.700, 162.890, 163.011, 164.131,  
3 164.161, 164.191, 164.201, 164.221, 164.261, 164.301, 165.141,  
4 170.014, 177.073, 177.086, and 177.091, RSMo, are repealed and  
5 twenty-one new sections enacted in lieu thereof, to be known as  
6 sections 160.054, 160.055, 160.415, 162.301, 162.411, 162.511,  
7 162.531, 162.700, 162.890, 163.011, 164.131, 164.161, 164.191,  
8 164.201, 164.261, 164.301, 165.141, 170.014, 177.073, 177.086,  
9 and 177.091, to read as follows:

160.054. 1. Notwithstanding any provisions of  
2 sections 160.051 and 160.053[,] to the contrary, [beginning  
3 with the 1997-98 school year,] all metropolitan school  
4 districts **and all charter schools**, except as provided in  
5 subsection 2 of this section, may establish and enforce a  
6 regulation which requires that a child shall have attained  
7 the age of three by August first for purposes of  
8 prekindergarten if a school district **or charter school**  
9 maintains such a program, the age of five for purposes of

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

10 kindergarten and summer school prior to a kindergarten  
11 school term, and the age of six for purposes of grade one,  
12 on or before any date between August first and October first  
13 of that year. The school district **or charter school** shall  
14 receive state aid for any child admitted to kindergarten,  
15 summer school prior to kindergarten, or grade one pursuant  
16 to this section, notwithstanding the provisions of section  
17 160.051.

18 2. Any kindergarten or grade one pupil beginning the  
19 school term and any pupil beginning summer school prior to a  
20 kindergarten school term in a metropolitan school district  
21 **or charter school** and subsequently transferring to another  
22 school district in this state in which the child's birth  
23 date would preclude such child's eligibility for entrance  
24 shall be deemed eligible for attendance and shall not be  
25 required to meet the minimum age requirements. The  
26 receiving school district shall receive state aid for the  
27 child, notwithstanding the provisions of section 160.051.

28 3. Any child who completes the kindergarten year in a  
29 metropolitan school district **or charter school** shall not be  
30 required to meet the minimum age requirements of another  
31 school district in this state for entrance into grade one.

32 4. The provisions of subsections 1 and 2 of this  
33 section, relating to kindergarten instruction and state aid  
34 therefor, shall not apply during any particular school year  
35 to those districts **or charter schools** which do not provide  
36 kindergarten classes that year.

160.055. 1. Notwithstanding any provisions of  
2 sections 160.051 and 160.053[,] to the contrary, [beginning  
3 with the 1997-98 school year,] **all charter schools and** all  
4 urban school districts containing the greater part of the  
5 population of a city which has more than three hundred

6 thousand inhabitants, except as provided in subsection 2 of  
7 this section, may establish and enforce a regulation which  
8 requires that a child shall have attained the age of three  
9 by August first for purposes of prekindergarten if a school  
10 district maintains such a program, the age of five for  
11 purposes of kindergarten and summer school prior to a  
12 kindergarten school term, and the age of six for purposes of  
13 grade one, on or before any date between August first and  
14 October first of that year. The school district **or charter**  
15 **school** shall receive state aid for any child admitted to  
16 kindergarten, summer school prior to kindergarten, or grade  
17 one pursuant to this section, notwithstanding the provisions  
18 of section 160.051.

19 2. Any kindergarten or grade one pupil beginning the  
20 school term and any pupil beginning summer school prior to a  
21 kindergarten school term in **a charter school or** an urban  
22 school district in this state containing the greater part of  
23 the population of a city which has more than three hundred  
24 thousand inhabitants and subsequently transferring to  
25 another school district in this state in which the child's  
26 birth date would preclude such child's eligibility for  
27 entrance shall be deemed eligible for attendance and shall  
28 not be required to meet the minimum age requirements. The  
29 receiving school district shall receive state aid for the  
30 child, notwithstanding the provisions of section 160.051.

31 3. Any child who completes the kindergarten year in **a**  
32 **charter school or** an urban school district containing the  
33 greater part of the population of a city which has more than  
34 three hundred thousand inhabitants shall not be required to  
35 meet the minimum age requirements of another school district  
36 in this state for entrance into grade one.

37       4. The provisions of subsections 1 and 2 of this  
38 section, relating to kindergarten instruction and state aid  
39 therefor, shall not apply during any particular school year  
40 to those districts **or charter schools** which do not provide  
41 kindergarten classes that year.

160.415. 1. For the purposes of calculation and  
2 distribution of state school aid under section 163.031,  
3 pupils enrolled in a charter school shall be included in the  
4 pupil enrollment of the school district within which each  
5 pupil resides. Each charter school shall report the  
6 eligibility for free and reduced price lunch, special  
7 education, or limited English proficiency status, as well as  
8 eligibility for categorical aid, of pupils resident in a  
9 school district who are enrolled in the charter school to  
10 the school district in which those pupils reside. The  
11 charter school shall report the average daily attendance  
12 data, free and reduced price lunch count, special education  
13 pupil count, and limited English proficiency pupil count to  
14 the state department of elementary and secondary education.  
15 Each charter school shall promptly notify the state  
16 department of elementary and secondary education and the  
17 pupil's school district when a pupil discontinues enrollment  
18 at a charter school.

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

22           (1) A school district having one or more resident  
23 pupils attending a charter school shall pay to the charter  
24 school an annual amount equal to the product of the charter  
25 school's weighted average daily attendance and the state  
26 adequacy target, multiplied by the dollar value modifier for  
27 the district, plus local tax revenues per weighted average

28 daily attendance from the incidental and teachers' funds in  
29 excess of the performance levy as defined in section 163.011  
30 plus all other state aid attributable to such pupils.

31 (2) The district of residence of a pupil attending a  
32 charter school shall also pay to the charter school any  
33 other federal or state aid that the district receives on  
34 account of such pupil.

35 (3) If the department overpays or underpays the amount  
36 due to the charter school, such overpayment or underpayment  
37 shall be repaid by the charter school or credited to the  
38 charter school in twelve equal payments in the next fiscal  
39 year.

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

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

48 3. A workplace charter school shall receive payment  
49 for each eligible pupil as provided under subsection 2 of  
50 this section, except that if the pupil is not a resident of  
51 the district and is participating in a voluntary  
52 interdistrict transfer program, the payment for such pupils  
53 shall be the same as provided under section 162.1060.

54 4. A charter school that has declared itself as a  
55 local educational agency shall receive from the department  
56 of elementary and secondary education an annual amount equal  
57 to the product of the charter school's weighted average  
58 daily attendance and the state adequacy target, multiplied  
59 by the dollar value modifier for the district, plus local

60 tax revenues per weighted average daily attendance from the  
61 incidental and teachers funds in excess of the performance  
62 levy as defined in section 163.011 plus all other state aid  
63 attributable to such pupils. If a charter school declares  
64 itself as a local educational agency, the department of  
65 elementary and secondary education shall, upon notice of the  
66 declaration, reduce the payment made to the school district  
67 by the amount specified in this subsection and pay directly  
68 to the charter school the annual amount reduced from the  
69 school district's payment.

70 5. If a school district fails to make timely payments  
71 of any amount for which it is the disbursal agent, the state  
72 department of elementary and secondary education shall  
73 authorize payment to the charter school of the amount due  
74 pursuant to subsection 2 of this section and shall deduct  
75 the same amount from the next state school aid apportionment  
76 to the owing school district. If a charter school is paid  
77 more or less than the amounts due pursuant to this section,  
78 the amount of overpayment or underpayment shall be adjusted  
79 equally in the next twelve payments by the school district  
80 or the department of elementary and secondary education, as  
81 appropriate. Any dispute between the school district and a  
82 charter school as to the amount owing to the charter school  
83 shall be resolved by the department of elementary and  
84 secondary education, and the department's decision shall be  
85 the final administrative action for the purposes of review  
86 pursuant to chapter 536. During the period of dispute, the  
87 department of elementary and secondary education shall make  
88 every administrative and statutory effort to allow the  
89 continued education of students in their current charter  
90 school setting.

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

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

106           (1) Provide evidence of the education service  
107 provider's success in serving student populations similar to  
108 the targeted population, including demonstrated academic  
109 achievement as well as successful management of nonacademic  
110 school functions, if applicable;

111           (2) Provide a term sheet setting forth the proposed  
112 duration of the service contract; roles and responsibilities  
113 of the governing board, the school staff, and the service  
114 provider; scope of services and resources to be provided by  
115 the service provider; performance evaluation measures and  
116 time lines; compensation structure, including clear  
117 identification of all fees to be paid to the service  
118 provider; methods of contract oversight and enforcement;  
119 investment disclosure; and conditions for renewal and  
120 termination of the contract;

121 (3) Disclose any known conflicts of interest between  
122 the school governing board and proposed service provider or  
123 any affiliated business entities;

124 (4) Disclose and explain any termination or nonrenewal  
125 of contracts for equivalent services for any other charter  
126 school in the United States within the past five years;

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

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

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

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

143 10. (1) The proportionate share of state and federal  
144 resources generated by students with disabilities or staff  
145 serving them shall be paid in full to charter schools  
146 enrolling those students by their school district where such  
147 enrollment is through a contract for services described in  
148 this section. The proportionate share of money generated  
149 under other federal or state categorical aid programs shall  
150 be directed to charter schools serving such students  
151 eligible for that aid.

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

169       12. A charter school is authorized to incur debt in  
170 anticipation of receipt of funds. A charter school may also  
171 borrow to finance facilities and other capital items. A  
172 school district may incur bonded indebtedness or take other  
173 measures to provide for physical facilities and other  
174 capital items for charter schools that it sponsors or  
175 contracts with. Except as otherwise specifically provided  
176 in sections 160.400 to 160.425, upon the dissolution of a  
177 charter school, any liabilities of the corporation will be  
178 satisfied through the procedures of chapter 355. A charter  
179 school shall satisfy all its financial obligations within  
180 twelve months of notice from the sponsor of the charter  
181 school's closure under subsection 8 of section 160.405.  
182 After satisfaction of all its financial obligations, a  
183 charter school shall return any remaining state and federal

184 funds to the department of elementary and secondary  
185 education for disposition as stated in subdivision (17) of  
186 subsection 1 of section 160.405. The department of  
187 elementary and secondary education may withhold funding at a  
188 level the department determines to be adequate during a  
189 school's last year of operation until the department  
190 determines that school records, liabilities, and reporting  
191 requirements, including a full audit, are satisfied.

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

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

201 15. In addition to any state aid remitted to charter  
202 schools under this section, the department of elementary and  
203 secondary education shall remit to any charter school an  
204 amount equal to the weighted average daily attendance of the  
205 charter school multiplied by the difference of:

206 (1) The amount of state aid and local aid per weighted  
207 average daily attendance received by the school district in  
208 which the charter school is located, not including any funds  
209 remitted to charter schools in the district. For the  
210 purposes of this subdivision, the weighted average daily  
211 attendance of the school district shall not include the  
212 weighted average daily attendance of the charter schools  
213 located in the district; and

214 (2) The amount of state aid and local aid per weighted  
215 average daily attendance of the charter school received by  
216 the charter school.

16. Charter schools may adjust weighted average daily attendance pursuant to section 163.036.

17. When calculating the amounts in subdivisions (1) and (2) of subsection 15 of this section, the department shall utilize the most current data to which the department has access.

223 18. For the purposes of subsection 15 of this section:

224 (1) The definitions contained in section 163.011,  
225 shall apply;

226 (2) The term "local aid" shall mean all local and  
227 county revenue received, including, but not limited to, the  
228 following:

229 (a) Property taxes and delinquent taxes;

230 (b) Merchants' and manufacturers' tax revenues;

231 (c) Financial institutions' tax revenues;

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

234 (e) Payments in lieu of taxes; and

235 (f) Revenues from state-assessed railroad and  
236 utilities tax;

237 (3) The term local aid shall not be construed to  
238 include:

239 (a) Charitable contributions, gifts, and grants made  
240 to school districts;

241 (b) Interest earnings of school districts and student  
242 fees paid to school districts;

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

246 (d) Proposition C revenues received for school  
247 purposes from the school district trust fund under section  
248 163.087; or

249 (e) Any other funding solely intended for a particular  
250 school district or their respective employees, schools,  
251 foundations, or organizations;

252 (4) The term "state aid" shall mean any revenues  
253 received pursuant to this section and sections 163.043 and  
254 163.087.

255 19. Notwithstanding any other provision of law to the  
256 contrary, subsections 15 to 18 of this section shall be  
257 applicable to charter schools operated only in the following  
258 school districts, provided that no such school district  
259 shall be located in a county with more than one hundred  
260 fifty thousand but fewer than two hundred thousand  
261 inhabitants:

262 (1) In a metropolitan school district;

263 (2) In an urban school district containing most or all  
264 of a city with more than four hundred thousand inhabitants  
265 and located in more than one county;

266 (3) In a school district that has been classified as  
267 unaccredited by the state board of education;

268 (4) In a school district that has been classified as  
269 provisionally accredited by the state board of education and  
270 has received scores on its annual performance report  
271 consistent with a classification of provisionally accredited  
272 or unaccredited for three consecutive school years beginning  
273 with the 2012-13 accreditation year under the conditions  
274 described in paragraphs (a) and (b) of subdivision (4) of  
275 subsection 2 of section 160.400; or

276 (5) In a school district that has been accredited  
277 without provisions, sponsored only by the local school board

278 under the conditions described in subdivision (6) of  
279 subsection 2 of section 160.400.

280 20. (1) The members of the governing board of a  
281 charter school shall be residents of the state of Missouri.

282 (2) Any current member of a governing board of a  
283 charter school who does not meet the requirements in  
284 subdivision (1) of this subsection may complete their term.  
285 Such individual shall not be renominated as a member of the  
286 governing board on which he or she sits.

287 21. (1) Any charter school management company  
288 operating a charter school in the state shall be a nonprofit  
289 corporation incorporated pursuant to chapter 355.

290 (2) Notwithstanding any provision of law to the  
291 contrary, if a charter school is operated by a charter  
292 school management company, all laws and regulations that  
293 apply to employees of such charter school shall apply to the  
294 actions of any employees of the management company while  
295 they are conducting any work relating to the direct decision-  
296 making of the operation of such charter school.

297 22. Beginning July 1, 2023, the provisions of section  
298 160.995 shall be applicable to charter schools.

299 23. Each charter school shall publish its annual  
300 performance report on the school's website in a downloadable  
301 format.

162.301. 1. Within fourteen days after the  
2 **certification of the** election of the first school board in  
3 each seven-director district, other than an urban district,  
4 and within fourteen days after **the certification of** each  
5 annual election, the board shall meet. The newly elected  
6 members shall qualify by taking the oath of office  
7 prescribed by Article VII, Section 11, of the Constitution  
8 of Missouri.

9       2. The board shall organize by the election of a  
10 president and vice president, and the board shall, on or  
11 before the fifteenth day of July of each year, elect a  
12 secretary and a treasurer, who shall enter upon their  
13 respective duties on the fifteenth day of July. The  
14 secretary and treasurer may be or may not be members of the  
15 board. [No compensation shall be granted to either the  
16 secretary or the treasurer until his report and settlement  
17 are made and filed or published as the law directs.]

18       3. A majority of the board constitutes a quorum for  
19 the transaction of business, but no contract shall be let,  
20 person employed, bill approved or warrant ordered unless a  
21 majority of the whole board votes therefor, **or unless a**  
**majority of all members of the board votes to delegate**  
**decision-making authority regarding such items to the**  
**district superintendent. If such authority is so delegated,**  
**the superintendent shall report to the board on a monthly**  
**basis regarding all decisions made on such items.**

162.411. The board of any district may retain counsel  
2 when necessary to the exercise of its powers. [In all  
3 school districts in this state which contain one or more  
4 cities or towns having a total population of thirty thousand  
5 inhabitants or over the school board may employ an attorney  
6 on a retainer basis whenever the board finds it necessary to  
7 do so and may prescribe his duties, compensation and term of  
8 office, which shall not exceed one year.]

162.511. Except as provided in laws specifically  
2 applicable to urban districts the board in any urban  
3 district shall perform the same duties and be subject to the  
4 same restrictions and liabilities as the school boards of  
5 other school districts acting under the general school laws  
6 of the state. A majority of the board constitutes a quorum

7 for the transaction of business. No contract shall be let,  
8 teacher employed, bill approved or warrant ordered unless a  
9 majority of the board shall vote therefor[, but this  
10 provision does not apply to the reemployment of any  
11 teacher. It]; **except that, a majority of all members of the**  
12 **board may vote to delegate decision-making authority**  
13 **regarding such items to the district superintendent. If**  
14 **such authority is so delegated, the superintendent shall**  
15 **report to the board on a monthly basis regarding all**  
16 **decisions made on such items. The board** shall provide and  
17 keep a corporate seal.

162.531. The secretary of the board of each urban  
2 district shall keep a record of the proceedings of the  
3 board; he shall also keep a record of all warrants drawn  
4 upon the treasurer, showing the date and amount of each, in  
5 whose favor and upon what account it was drawn[, and shall  
6 also keep a register of the bonded indebtedness of the  
7 school district]; he shall also perform other duties  
8 required of him by the board, and shall safely keep [all  
9 bonds or other] papers entrusted to his care. He shall,  
10 before entering upon his duties, execute a bond to the  
11 school district in the penal sum of not less than five  
12 thousand dollars, the amount thereof to be fixed by the  
13 board, with at least one surety, to be approved by the board.

162.700. 1. The board of education of each school  
2 district **and charter school** in this state, except school  
3 districts **and charter schools** which are part of a special  
4 school district, and the board of education of each special  
5 school district shall provide special educational services  
6 for children with disabilities three years of age or more  
7 residing in the district as required by P.L. 99-457, as  
8 codified and as may be amended. Any child, determined to be

9 a child with disabilities, shall be eligible for such  
10 services upon reaching his or her third birthday and state  
11 school funds shall be apportioned accordingly. This  
12 subsection shall apply to each full school year beginning on  
13 or after July 1, 1991. In the event that federal funding  
14 fails to be appropriated at the authorized level as  
15 described in 20 U.S.C. Section 1419(b) (2), the  
16 implementation of this subsection relating to services for  
17 children with disabilities three and four years of age may  
18 be delayed until such time as funds are appropriated to meet  
19 such level. Each local school district and each special  
20 school district shall be responsible to engage in a planning  
21 process to design the service delivery system necessary to  
22 provide special education and related services for children  
23 three and four years of age with disabilities. The planning  
24 process shall include public, private, and private not-for-  
25 profit agencies which have provided such services for this  
26 population. The school district, or school districts, or  
27 special school district, shall be responsible for designing  
28 an efficient service delivery system which uses the present  
29 resources of the local community which may be funded by the  
30 department of elementary and secondary education or the  
31 department of mental health. School districts may  
32 coordinate with public, private, and private not-for-profit  
33 agencies presently in existence. The service delivery  
34 system shall be consistent with the requirements of the  
35 department of elementary and secondary education to provide  
36 appropriate special education services in the least  
37 restrictive environment.

38 2. Every local school district or, if a special  
39 district is in operation, every special school district  
40 shall obtain current appropriate diagnostic reports for each

41 child with disabilities prior to assignment in a special  
42 program. These records may be obtained with parental  
43 permission from previous medical or psychological  
44 evaluation, may be provided by competent personnel of such  
45 district or special district, or may be secured by such  
46 district from competent and qualified medical,  
47 psychological, or other professional personnel.

48 3. Evaluations of private school students suspected of  
49 having a disability under the Individuals With Disabilities  
50 Education Act will be conducted as appropriate by the school  
51 district in which the private school is located or its  
52 contractor.

53 4. Where special districts have been formed to serve  
54 children with disabilities under the provisions of sections  
55 162.670 to 162.974, such children shall be educated in  
56 programs of the special district, except that component  
57 districts may provide education programs for children with  
58 disabilities ages three and four inclusive in accordance  
59 with regulations and standards adopted by the state board of  
60 education.

61 5. For the purposes of this act, remedial reading  
62 programs are not a special educational service as defined by  
63 subdivision (4) of section 162.675.

64 6. Any and all state costs required to fund special  
65 education services for three- and four-year-old children  
66 under this section shall be provided for by a specific,  
67 separate appropriation and shall not be funded by a  
68 reallocation of money appropriated for the public school  
69 foundation program.

70 7. School districts providing early childhood special  
71 education shall give consideration to the value of  
72 continuing services with Part C early intervention system

73 providers for the remainder of the school year when  
74 developing an individualized education program for a student  
75 who has received services under Part C of the Individuals  
76 with Disabilities Education Act and reaches the age of three  
77 years during a regular school year. Services provided shall  
78 be only those permissible according to Section 619 of the  
79 Individuals with Disabilities Education Act.

80 8. (1) A student whose age makes the student eligible  
81 for kindergarten or grade one may continue eligibility as a  
82 young child with a developmental delay if the student was  
83 identified as a young child with a developmental delay  
84 before attaining eligibility for kindergarten.

85 (2) The category of young child with a developmental  
86 delay shall not be used to determine continuing eligibility  
87 for special educational services for a student who is seven  
88 years of age before August first of a given school year, but  
89 eligibility for special educational services may be  
90 determined for such students through any other disability  
91 category.

92 9. Any rule or portion of a rule, as that term is  
93 defined in section 536.010, that is created under the  
94 authority delegated in this section shall become effective  
95 only if it complies with and is subject to all of the  
96 provisions of chapter 536 and, if applicable, section  
97 536.028. This section and chapter 536 are nonseverable and  
98 if any of the powers vested with the general assembly under  
99 chapter 536 to review, to delay the effective date or to  
100 disapprove and annul a rule are subsequently held  
101 unconstitutional, then the grant of rulemaking authority and  
102 any rule proposed or adopted after August 28, 2002, shall be  
103 invalid and void.

162.890. If a special district is organized in any  
2 area of this state under the provisions of sections 162.670  
3 to 162.995, neither the state board of education nor any  
4 school district **or charter school** within the special  
5 district shall be required to establish schools or classes  
6 for the training or education of handicapped or severely  
7 handicapped children under any other existing law, except  
8 that the component districts included in a newly formed  
9 special district, **charter schools within a newly formed**  
10 **special district**, and the state board of education shall  
11 continue to provide services formerly provided for children  
12 residing in the district until the resources of the special  
13 district are sufficient to permit its assuming such  
14 responsibilities. In no instance shall **charter schools**,  
15 component districts, or the state board of education be  
16 required to provide special education classes for the  
17 training or education of these children for more than one  
18 school term after the special district has been formed.

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  
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 effort  
164 shall be computed as the equalized assessed valuation of the  
165 property of a school district in calendar year 2004 divided  
166 by one hundred and multiplied by the performance levy less  
167 the percentage retained by the county assessor and collector  
168 plus one hundred percent of the amount received in fiscal  
169 year 2005 for school purposes from intangible taxes, fines,  
170 escheats, payments in lieu of taxes and receipts from state-  
171 assessed railroad and utility tax, one hundred percent of  
172 the amount received for school purposes pursuant to the

173 merchants' and manufacturers' taxes under sections 150.010  
174 to 150.370, one hundred percent of the amounts received for  
175 school purposes from federal properties under sections  
176 12.070 and 12.080 except when such amounts are used in the  
177 calculation of federal impact aid pursuant to P.L. 81-874,  
178 fifty percent of Proposition C revenues received for school  
179 purposes from the school district trust fund under section  
180 163.087, and one hundred percent of any local earnings or  
181 income taxes received by the district for school purposes.  
182 Under this paragraph, for a special district established  
183 under sections 162.815 to 162.940 in a county with a charter  
184 form of government and with more than one million  
185 inhabitants, a tax levy of zero shall be utilized in lieu of  
186 the performance levy for the special school district;

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

205 each affected district's local effort, so that each  
206 district's local effort figure conforms to the new boundary  
207 lines of the district. The department shall compute the  
208 local effort figure by applying the calendar year 2004  
209 assessed valuation data to the new land areas resulting from  
210 the boundary line change, annexation, attachment,  
211 consolidation, reorganization, or dissolution and otherwise  
212 follow the procedures described in this subdivision;

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

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

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

(12) "Operating levy for school purposes", the sum of tax rates levied for teachers' and incidental funds plus the operating levy or sales tax equivalent pursuant to section 162.1100 of any transitional school district containing the school district, in the payment year, not including any equalized operating levy for school purposes levied by a special school district in which the district is located;

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

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

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

256 (16) "Special education pupil count", the number of  
257 public school students with a current individualized  
258 education program or services plan and receiving services  
259 from the resident district as of December first of the  
260 preceding school year, except for special education services  
261 provided through a school district established under  
262 sections 162.815 to 162.940 in a county with a charter form  
263 of government and with more than one million inhabitants, in  
264 which case the sum of the students in each district **or**  
265 **charter school** within the county exceeding the special  
266 education threshold of each respective district **or charter**  
267 **school** within the county shall be counted within the special

268 district and not in the district of residence **or in the**  
269 **charter school** for purposes of distributing the state aid  
270 derived 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) For fiscal years prior to the 2026 fiscal year,  
312 paragraph (g) of this subdivision;

313 (b) For the 2026 fiscal year, the sum of nine-tenths  
314 multiplied by paragraph (g) of this subdivision plus one-  
315 tenth multiplied by the weighted membership;

316 (c) For the 2027 fiscal year, the sum of eight-tenths  
317 multiplied by paragraph (g) of this subdivision plus two-  
318 tenths multiplied by the weighted membership;

319 (d) For the 2028 fiscal year, the sum of seven-tenths  
320 multiplied by paragraph (g) of this subdivision plus three-  
321 tenths multiplied by the weighted membership;

322 (e) For the 2029 fiscal year, the sum of six-tenths  
323 multiplied by paragraph (g) of this subdivision plus four-  
324 tenths multiplied by the weighted membership;

325 (f) For the 2030 fiscal year and all subsequent fiscal  
326 years, the sum of five-tenths multiplied by paragraph (g) of  
327 this subdivision plus five-tenths multiplied by the weighted  
328 membership;

329 (g) The average daily attendance plus the product of  
330 twenty-five hundredths multiplied by the free and reduced  
331 price lunch pupil count that exceeds the free and reduced

332 price lunch threshold, plus the product of seventy-five  
333 hundredths multiplied by the number of special education  
334 pupil count that exceeds the special education threshold,  
335 plus the product of six-tenths multiplied by the number of  
336 limited English proficiency pupil count that exceeds the  
337 limited English proficiency threshold. For special  
338 districts established under sections 162.815 to 162.940 in a  
339 county with a charter form of government and with more than  
340 one million inhabitants, weighted average daily attendance  
341 shall be the average daily attendance plus the product of  
342 twenty-five hundredths multiplied by the free and reduced  
343 price lunch pupil count that exceeds the free and reduced  
344 price lunch threshold, plus the product of seventy-five  
345 hundredths multiplied by the sum of the special education  
346 pupil count that exceeds the threshold for each county  
347 district **and charter school**, plus the product of six-tenths  
348 multiplied by the limited English proficiency pupil count  
349 that exceeds the limited English proficiency threshold.  
350 None of the districts **or charter schools** comprising a  
351 special district established under sections 162.815 to  
352 162.940 in a county with a charter form of government and  
353 with more than one million inhabitants, shall use any  
354 special education pupil count in calculating their weighted  
355 average daily attendance;

356 (21) "Weighted membership", the membership plus the  
357 product of twenty-five hundredths multiplied by the free and  
358 reduced price lunch pupil count that exceeds the free and  
359 reduced price lunch threshold, plus the product of seventy-  
360 five hundredths multiplied by the number of special  
361 education pupil count that exceeds the special education  
362 threshold, plus the product of six-tenths multiplied by the  
363 number of limited English proficiency pupil count that

364 exceeds the limited English proficiency threshold. For  
365 special districts established under sections 162.815 to  
366 162.940 in a county with more than one million inhabitants,  
367 weighted membership shall be the membership plus the product  
368 of twenty-five hundredths multiplied by the free and reduced  
369 price lunch pupil count that exceeds the free and reduced  
370 price lunch threshold, plus the product of seventy-five  
371 hundredths multiplied by the sum of the special education  
372 pupil count that exceeds the threshold for each county  
373 district **and charter school**, plus the product of six-tenths  
374 multiplied by the limited English proficiency pupil count  
375 that exceeds the limited English proficiency threshold.  
376 None of the districts **or charter schools** comprising a  
377 special district established under sections 162.815 to  
378 162.940 in a county with more than one million inhabitants  
379 shall use any special education pupil count in calculating  
380 their weighted membership.

164.131. 1. In urban districts, the board may borrow  
2 money and issue bonds for the payment thereof for the  
3 following purposes:

4 (1) Purchasing sites for schoolhouses, public library  
5 buildings, art galleries, museums, janitors' houses, repair  
6 buildings and supply houses used in the operation and  
7 maintenance of schools and other land for school purposes;

8 (2) Erecting schoolhouses, library buildings, art  
9 galleries, museums, janitors' houses, repair buildings,  
10 supply houses and other buildings used in the operation and  
11 maintenance of schools;

12 (3) Building additions to, remodeling and  
13 reconstructing buildings existing at the time of making the  
14 loan;

15 (4) Furnishing any building erected or reconstructed;

16 (5) Purchasing school buses and other transportation  
17 equipment.

18           2. The question of the loan shall be decided at an  
19        election.

20           3. Notice of the submission of the question shall  
21        [include the amount of the loan required, and for what  
22        purpose] **contain the information required under sections**  
23       **115.125 to 115.129.** The president and secretary shall sign  
24       the notices.

164.161. The loans authorized by sections 164.121 to  
2 164.141 shall not be contracted for a longer period than  
3 twenty years, and the entire amount of the loans shall at no  
4 time exceed, including the present indebtedness of the  
5 district, the maximum aggregate percentage, as set forth in  
6 Article VI, Section 26(b) of the Missouri Constitution, of  
7 the value of taxable tangible property therein as shown by  
8 the last completed assessment for state and county  
9 purposes. The rate of interest upon the bonds shall, in no  
10 case, exceed the highest [legal] rate allowed [by contract]  
11 **under section 108.170.** Before or at the time of issuing the  
12 bonds, the board of directors shall provide for the  
13 collection of an annual tax sufficient to pay the interest  
14 and principal of the bonds as they fall due, and to retire  
15 them within twenty years from date contracted.

164.191. The board of any school district may issue  
2 funding and refunding bonds for the district, in accordance  
3 with sections 108.140 to 108.170. Each bond shall be signed  
4 by the **manual or facsimile signature of the** president,  
5 countersigned by the **manual or facsimile signature of the**  
6 clerk and authenticated by the seal of the school board, if  
7 there is one[; and shall also be attested by the clerk of  
8 the county commission of the county in which the district is

9 located, and he shall put the seal of the commission on each  
10 bond. The clerk of the board shall keep a record in the  
11 books of the school district of all renewal bonds issued by  
12 the board, noting the date when issued and when due, and  
13 also the number and amount of each bond so issued, and shall  
14 also keep a full record of all transactions that may be  
15 necessary for the identification of the bonds].

164.201. No refunding or renewal bond shall be  
2 [exchanged by the board of any school district for any  
3 outstanding bond for a sum less than ninety cents on the  
4 dollar of its face value. The board also may sell the  
5 refunding or renewal bonds for cash if in its judgment it  
6 will be to the interest of the school district; but no  
7 commission shall be allowed or cost incurred in the exchange  
8 or sale of bonds which will reduce the net proceeds of the  
9 same to a less amount than ninety cents on the dollar] **sold  
10 at a price less than permitted under section 108.170, and  
11 all sums of money realized from the sale of refunding or  
12 renewal bonds shall be used [in the redemption] **to redeem,  
13 retire, or provide for an escrow account for the redemption  
14 or payment of outstanding bonds of the school district **and  
15 for the payment of costs of issuance of such refunding or  
16 renewal bonds.******

164.261. 1. Revenue bonds issued under section  
2 164.231 shall be of such denomination, shall bear such rate  
3 of interest not to exceed [four percent per annum] **the  
4 maximum rate permitted under section 108.170, and shall  
5 mature at such time within twenty years from the date of  
6 issuance thereof as the board of directors of the school  
7 district determines. The bonds may be either serial bonds  
8 or term bonds. Serial bonds may be issued with or without  
9 reservation of the right to call them for payment or**

10 redemption in advance of their maturity, upon the giving of  
11 notice and with or without the covenant requiring the  
12 payment of a premium in the event of the call and redemption  
13 prior to maturity as the board determines. Term bonds shall  
14 contain a reservation of the right to call them for payment  
15 and redemption prior to maturity at such time and upon the  
16 giving of notice and upon the payment of such premium, if  
17 any, as the school board determines. Each such bond shall  
18 bear on its face a prominent legend reading substantially as  
19 follows:

20           "THIS IS A REVENUE BOND ONLY AND THE HOLDER  
21           THEREOF SHALL NEVER HAVE ANY RIGHT TO DEMAND OR  
22           RECEIVE PAYMENT OF THE PRINCIPAL OR INTEREST  
23           THEREOF FROM ANY FUNDS RAISED OR TO BE RAISED BY  
24           TAXATION."

25           2. The bonds when issued and sold shall be negotiable  
26 instruments within the meaning of the law merchant and the  
27 negotiable instruments law and the interest thereon is  
28 exempt from income taxes under the laws of the state of  
29 Missouri.

30           3. The bonds when issued may be sold at public sale to  
31 brokers or others after giving such reasonable notice of the  
32 sale as is determined by the board, but, if sold to brokers  
33 or dealers for resale, they shall be sold for not less than  
34 ninety-eight percent of the par value thereof and accrued  
35 interest, or the board may, in its discretion, provide for  
36 the sale of the bonds pursuant to individual subscriptions  
37 therefor by purchasers for investment, in which case they  
38 shall not be sold for less than the par value thereof and  
39 accrued interest. The school board may, however, pay  
40 reasonable compensation to persons employed in soliciting or  
41 effecting such private subscriptions and purchases.

164.301. 1. The revenue bonds issued pursuant to the  
2 provisions of sections 164.231 to 164.301 may be refunded in  
3 whole or in part **as provided in sections 108.140 to 108.170,**  
4 **and in addition** in any of the following circumstances, to  
5 wit:

6 (1) When any of the bonds have by their terms become  
7 due and payable and there are not sufficient funds in the  
8 interest and sinking fund provided for their payment to pay  
9 the bonds and the interest thereon;

10 (2) When any of the bonds are by their terms callable  
11 for payment and redemption in advance of their date of  
12 maturity and have been duly called for payment and  
13 redemption;

14 (3) When any of the bonds are voluntarily surrendered  
15 by the holder thereof in exchange for refunding bonds.

16 2. For the purpose of refunding any bonds issued  
17 hereunder, including refunding bonds, the board of the  
18 school district may make and issue refunding bonds in the  
19 amount necessary to pay off and redeem the bonds to be  
20 refunded, together with unpaid and past due interest thereon  
21 and any premium which is due under the terms of the bonds,  
22 together also with the cost of issuing the refunding bonds,  
23 and may sell the bonds in like manner as is herein provided  
24 for the sale of revenue bonds. With the proceeds of the  
25 bonds, the board may pay off, redeem and cancel old bonds  
26 and coupons which have matured, or which have been called  
27 for payment and redemption, together with the past due  
28 interest premium, if any, due thereon, or the bonds may be  
29 issued and delivered in exchange for a like par value amount  
30 of bonds to refund which the refunding bonds were issued.

31 3. No refunding bonds issued pursuant to the  
32 provisions of this section shall be payable in more than

33 twenty years from the date thereof or shall bear interest at  
34 a rate in excess of [six percent per annum] **the maximum rate**  
35 **permitted under section 108.170.**

36 4. Refunding bonds are payable from the same sources  
37 as were pledged to the payment of the bonds refunded thereby  
38 and, in the discretion of the board, may be payable from any  
39 other sources which under sections 164.231 to 164.301 may be  
40 pledged to the payment of revenue bonds issued hereunder.

165.141. 1. The notes shall be known as tax  
2 anticipation notes of the school district and shall be  
3 signed by the president of the school board and attested by  
4 the clerk or secretary. The clerk or secretary of the  
5 school board shall certify on the back of each note that the  
6 note is issued pursuant to an order of the school board of  
7 the district and the aggregate principal amount of all prior  
8 notes and warrants issued against the fund referred to in  
9 the note which are unpaid at the date of the certificate.

10 [All notes issued under this section and section 165.131  
11 shall be registered, without fee, before delivery in the  
12 office of the county treasurer of the county in which the  
13 school district lies. The registry] **Each note** shall show  
14 the number, date, amount and interest rate of each note, the  
15 fund for which issued, date of sale and name of the payee,  
16 if any, [or of the purchaser if payable to bearer. Upon  
17 payment and cancellation the notes shall be submitted to the  
18 county treasurer who shall record the date of payment and  
19 cancellation in his record of registry] **and of the district**  
20 **treasurer or bank or trust company acting as paying agent**  
21 **and note registrar.**

22 2. The secretary of the school district shall keep  
23 true and correct record of the issuance, and of the fact and  
24 date of payment of all notes, and deliver a duplicate

25 thereof to the treasurer of the school district. [The notes  
26 upon payment shall be cancelled and] It shall not be lawful  
27 for the school district to purchase and reissue any of the  
28 notes.

170.014. 1. This section shall be known as the  
2 "Reading Instruction Act" and is enacted to ensure that all  
3 public schools including charter schools establish reading  
4 programs in kindergarten through grade five based in  
5 scientific research. "Evidence-based reading instruction"  
6 includes practices that have been proven effective through  
7 evaluation of the outcomes for large numbers of students and  
8 are highly likely to be effective in improving reading if  
9 implemented with fidelity. Such programs shall include the  
10 essential components of phonemic awareness, phonics,  
11 fluency, vocabulary, and comprehension, and all new teachers  
12 who teach reading in kindergarten through grade three shall  
13 receive adequate training in these areas.

14 (1) For purposes of this subsection, "three-cueing  
15 system" means any model of teaching students to read based  
16 on meaning, structure and syntax, and visual cues, which may  
17 also be known as "MSV".

18 (2) A public school district or charter school shall  
19 provide reading instruction in accordance with the following  
20 requirements:

21 (a) Phonics instruction for decoding and encoding  
22 shall be the primary instructional strategy for teaching  
23 word reading; **and**

24 (b) Instruction in word reading shall not rely  
25 primarily on strategies based on the three-cueing system  
26 model of reading or visual memory[; and

27 (c) Reading instruction may include visual information  
28 and strategies that improve background and experiential

29 knowledge, add context, and increase oral language and  
30 vocabulary to support comprehension, but such visual  
31 information and strategies shall not be used to teach word  
32 reading].

33 3. Every public school in the state shall offer a  
34 reading program as described in subsection 1 of this section  
35 for kindergarten through grade five.

177.073. 1. The board of directors or school board in  
2 urban school districts, metropolitan school districts, and  
3 school districts located totally or partially within a first  
4 class charter county adjoining a city not within a county,  
5 by an affirmative vote of [not less than two-thirds of all  
6 the members] **a majority of all members of the board**, may:

7 (1) Select, direct and authorize the purchase of sites  
8 for and authorize the construction of [libraries, schools,  
9 school offices, art galleries and museums; and the necessary  
10 janitors' houses, repair buildings, supply houses and  
11 parking] facilities to be used in the operation and  
12 maintenance of the schools;

13 (2) Authorize and direct the purchase of additional  
14 ground needed for school purposes;

15 (3) **(a)** Authorize and direct the sale and transfer or  
16 lease of any real or personal property belonging to the  
17 district which is not required for operation of the school  
18 program **and which the superintendent or the superintendent's**  
19 **designee has determined has reasonable value after factoring**  
20 **in the time and costs associated with advertising and**  
21 **processing the sale, transfer, or lease. All property the**  
22 **superintendent or designee determines does not have**  
23 **reasonable value shall be recycled, destroyed, or disposed**  
24 **of as solid waste.**

34 (c) Personal property shall be sold or leased to the  
35 highest bidder. The proceeds from the sale of personal  
36 property shall be placed to the credit of the incidental  
37 fund.

57 proposal offering the most economically advantageous terms  
58 shall be the highest bid. All bids for purchase or lease of  
59 real property shall be submitted formally as closed bids.  
60 Bids shall be opened at a meeting, which shall be an open  
61 meeting. The board may reject all bids, or negotiate an  
62 acceptable sale or lease with the highest bidder, if all  
63 bids are unsatisfactory. The records of the bid-opening  
64 meeting shall be an open record. If real property is not  
65 sold or leased through a real estate broker, notice that the  
66 board is holding real property for sale or offering it for  
67 lease, including a planned sale or lease to a community  
68 group or a city, state agency, municipal corporation, or  
69 other governmental subdivision of the state, shall be given  
70 by publication in a newspaper within the county in which all  
71 or a part of the district is located which has general  
72 circulation within the district, once a week for two  
73 consecutive weeks, the last publication to be at least seven  
74 days and not more than fourteen days prior to the date of  
75 the bid opening. The term of a lease may be for any period  
76 which the board finds is advantageous and meets the needs of  
77 the district. The lease or deed of conveyance shall be  
78 executed by the president and attested by the secretary of  
79 the board. If the district has a seal, it shall be affixed  
80 to the deed or lease. The proceeds derived from sale of  
81 real property shall be placed to the credit of the  
82 incidental fund of the district. [The proceeds from sale of  
83 nonrealty and from leases shall be placed to the credit of  
84 the incidental fund.]

85                   (e) Notwithstanding any provision of paragraph (c) or  
86 (d) of this subdivision to the contrary, a district may sell  
87 real or personal property to a community group or a city,  
88 state agency, municipal corporation, or any other political

89 subdivision of the state by posting public notice of the  
90 proposed sale and the agreed-upon purchase price of the  
91 property. Such notice shall be posted at the primary  
92 offices of the school district and the governmental entity  
93 and on the websites of the school district and of the  
94 governmental entity, if such websites exist. The district  
95 may also use other methods of advertisement it determines  
96 are effective.

97 2. The board may receive, in behalf of the school  
98 district, any grants, gifts, or devises made for the benefit  
99 of the district or its schools, or any public library, art  
100 gallery or museum under the control of the board.

177.086. 1. Any school district authorizing the  
2 construction of facilities which may exceed an expenditure  
3 of fifty thousand dollars shall publicly advertise, once a  
4 week for two consecutive weeks, in a newspaper of general  
5 circulation, qualified pursuant to chapter 493, located  
6 within the city in which the school district is located, or  
7 if there be no such newspaper, in a qualified newspaper of  
8 general circulation in the county, or if there be no such  
9 newspaper, in a qualified newspaper of general circulation  
10 in an adjoining county, and may advertise in business,  
11 trade, or minority newspapers **and websites**, for bids on said  
12 construction. **The advertisement shall include, or direct**  
13 **potential bidders to, the complete invitation for bids**  
14 **including the project specifications and terms and**  
15 **conditions established for the project.**

16 2. No bids shall be entertained by the school district  
17 which are not made in accordance with the specifications  
18 furnished by the district and all contracts shall be let to  
19 the lowest responsible bidder complying with the terms of

20 the letting, provided that the district shall have the right  
21 to reject any and all bids.

22 3. All bids must be submitted sealed and in writing,  
23 to be opened publicly at time and place of the district's  
24 choosing.

25 **4. The requirements of this section are not applicable**  
26 **if the district utilizes a cooperative procurement service**  
27 **authorized under section 34.046, state procurement service**  
28 **authorized under section 67.360, design-build service**  
29 **authorized under section 67.5060, or any other procurement**  
30 **mechanism or source selection process authorized under state**  
31 **or federal law that implements an approach to competitive**  
32 **bidding that differs from the provisions of this section.**  
33 **The requirements of sections 290.210 to 290.340 shall apply**  
34 **to all construction projects governed by any such state or**  
35 **federal law.**

177.091. 1. The school board in each seven-director  
2 district, as soon as sufficient funds are provided, shall  
3 establish an adequate number of elementary schools, and if  
4 the demands of the district require more than one elementary  
5 school building, the board shall divide the district into  
6 elementary school wards and fix the boundaries thereof. The  
7 board shall select and procure a site in each ward and erect  
8 and furnish a suitable school building thereon.

9 2. The board may also establish high schools and may  
10 select and procure sites and erect and furnish buildings  
11 therefor.

12 3. The board may acquire additional grounds when  
13 needed for school purposes. If the directors of both school  
14 districts involved agree, such grounds may be located  
15 outside of the boundaries of the district and operated for  
16 school purposes.

17       4. If there is any **real or personal** school property,  
18 the ownership of which is vested in the district, that is no  
19 longer required for the use of the district, **and that the**  
20 **superintendent or the superintendent's designee determines**  
21 **has reasonable value**, the board, by an affirmative vote of a  
22 majority of the whole board, may authorize and direct the  
23 sale or lease of the property, except that, property outside  
24 the boundaries of the school district may not be leased.  
25 **All property the superintendent or designee determines does**  
26 **not have reasonable value shall be recycled, destroyed, or**  
27 **disposed of as solid waste.**

28       5. The board may, by an affirmative vote of a majority  
29 of all members of the board, transfer district personal  
30 property for no compensation or negotiated compensation to  
31 students of the district or to another public school  
32 district in the state. Except as provided in this  
33 subsection, personal property shall not be transferred  
34 without compensation unless the district has first attempted  
35 to sell the property and has not received any bids for the  
36 property.

37       6. Real property may be sold or leased by listing the  
38 property with one or more real estate brokers licensed by  
39 the state of Missouri and paying a commission upon such sale  
40 or lease. Real property not sold or leased through a real  
41 estate broker [**and all personal property, unless sold or**  
42 **leased to a public institution of higher education,**] shall  
43 be sold or leased to the highest bidder. If real property  
44 is not sold or leased through a real estate broker, notice  
45 that the board is holding the property for sale or offering  
46 it for lease shall be given by publication in a newspaper  
47 within the county in which all or a part of the district is  
48 located which has general circulation within the district,

49 once a week for two consecutive weeks, the last publication  
50 to be at least seven days prior to the sale or lease of the  
51 property[; except that, any real or personal school property  
52 may be sold or leased to a city, state agency, municipal  
53 corporation, or other governmental subdivision of the state  
54 located within the boundaries of the district, for public  
55 uses and purposes, by the giving of public notice as herein  
56 provided and at such sum as may be agreed upon between the  
57 school district and the city, state agency, municipal  
58 corporation, or other governmental subdivision of the state].

59 **7. Personal property shall be sold or leased to the  
60 highest bidder. The school district shall post public  
61 notice of the sale at the primary office of the school  
62 district and on the website of the school district, if such  
63 a website exists. The district may also use other methods  
64 of advertisement it determines are effective.**

65 **8. Notwithstanding any provision of subsection 6 or 7  
66 of this section to the contrary, a district may sell real or  
67 personal property to a community group or a city, state  
68 agency, municipal corporation, or other political  
69 subdivision of the state by posting public notice of the  
70 proposed sale and the amount agreed upon. Such notice shall  
71 be posted at the primary offices of the school district and  
72 of the governmental entity and on the websites of the school  
73 district and the governmental entity, if such websites  
74 exist. The district may also use other methods of  
75 advertisement it determines are effective.**

76 **9. The lease or deed of conveyance shall be executed  
77 by the president and attested by the secretary of the  
78 board. If the district has a seal, it shall be affixed to  
79 the deed or lease. The proceeds derived from the sale of  
80 real property or nonrealty by districts identified as**

81 financially stressed pursuant to section 161.520 shall[ ,  
82 until July 1, 1998, be placed to the credit of the  
83 incidental fund or the capital projects fund of the  
84 district, with notice of any such sale to be included in the  
85 budget and education plan submitted to the department of  
86 elementary and secondary education, and, on and after July  
87 1, 1998, any such proceeds shall] be placed to the credit of  
88 the capital projects fund. [The proceeds from the sale of  
89 real property or nonrealty and from leases, by any other  
90 district, shall be placed to the credit of the capital  
91 projects fund.]

92 5. Notwithstanding the provisions of subsection 4 of  
93 this section to the contrary, after twenty-five years from  
94 the date of purchase, any city of the fourth classification  
95 with more than four hundred but fewer than five hundred  
96 inhabitants and located in any county of the fourth  
97 classification with more than thirty-two thousand nine  
98 hundred but fewer than thirty-three thousand inhabitants  
99 located within the boundaries of a school district that has  
100 purchased any real or personal school property from the  
101 school district for public uses and purposes, as provided in  
102 subsection 4 of this section, may sell the property or use  
103 the property for whatever purpose such city deems necessary.

104 6.] 10. The school board of a seven-director district  
105 may also list real property for sale on which a building has  
106 been constructed by an approved vocational education class  
107 with a real estate broker licensed by the state of Missouri  
108 and pay a commission thereon.

109 [7.] 11. Other provisions of this section to the  
110 contrary notwithstanding, bids for the purchase of any  
111 building constructed by students as part of an approved

112 vocational education class may be accepted prior to  
113 completion of such construction.

164.221. Whenever any bonds of any school  
district are redeemed or paid off, the bonds  
shall be burned or shredded in the presence of  
two members of the school board and two other  
credible persons as witnesses of the fact. The  
secretary or clerk of the board shall record in  
the books of the district a description of the  
bonds so destroyed by noting the date when  
issued and when due, and the number and amount  
of each of the bonds, and the names of the  
members of the board and of the witnesses who  
are present at the burning of the bonds.]

✓