

# SENATE BILL NO. 1736

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR WASHINGTON.

7403S.011

KRISTINA MARTIN, Secretary

## AN ACT

To amend chapter 163, RSMo, by adding thereto one new section relating to state aid allocations to certain school districts.

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

Section A. Chapter 163, RSMo, is amended by adding thereto  
2 one new section, to be known as section 163.039, to read as  
3 follows:

163.039. 1. Notwithstanding the provisions of section  
2 163.031 and 163.044 to the contrary, beginning in school  
3 year 2026-27 and for each subsequent school year, none of  
4 the following school districts shall receive state aid  
5 calculated under subsection 2 of section 163.031, and no  
6 such district shall receive any funds under section 163.044:

7 (1) A school district whose boundaries wholly  
8 encompass a village with more than sixty but fewer than  
9 sixty-seven inhabitants and located in a county with more  
10 than seven thousand but fewer than eight thousand  
11 inhabitants and with a county seat with fewer than four  
12 hundred eighty inhabitants;

13 (2) A school district whose boundaries wholly  
14 encompass a city with more than four hundred thirty but  
15 fewer than four hundred eighty inhabitants and that is the  
16 county seat of a county with more than seven thousand but  
17 fewer than eight thousand inhabitants;

18           (3) A school district whose boundaries wholly  
19 encompass a city with more than one hundred sixty-five but  
20 fewer than one hundred eighty-five inhabitants and located  
21 in a county with more than fifteen thousand seven hundred  
22 but fewer than seventeen thousand six hundred inhabitants  
23 and with a county seat with more than seven thousand but  
24 fewer than nine thousand inhabitants;

25           (4) A school district whose boundaries wholly  
26 encompass a city with more than two hundred ninety-three but  
27 fewer than three hundred forty inhabitants and located in a  
28 county with more than fifteen thousand seven hundred but  
29 fewer than seventeen thousand six hundred inhabitants and  
30 with a county seat with more than seven thousand but fewer  
31 than nine thousand inhabitants;

32           (5) A school district whose boundaries wholly  
33 encompass a city with more than four hundred thirty but  
34 fewer than four hundred eighty inhabitants and located in a  
35 county with more than fifteen thousand seven hundred but  
36 fewer than seventeen thousand six hundred inhabitants and  
37 with a county seat with more than seven thousand but fewer  
38 than nine thousand inhabitants;

39           (6) A school district whose boundaries wholly  
40 encompass a city with more than six hundred but fewer than  
41 six hundred eighty inhabitants and located in a county with  
42 more than fifteen thousand seven hundred but fewer than  
43 seventeen thousand six hundred inhabitants and with a county  
44 seat with more than seven thousand but fewer than nine  
45 thousand inhabitants; and

46           (7) A school district whose boundaries wholly  
47 encompass a city with more than four hundred thirty but  
48 fewer than four hundred eighty inhabitants and located in a  
49 county with more than twenty-two thousand but fewer than

50 twenty-five thousand inhabitants and with a county seat with  
51 more than nine hundred but fewer than one thousand four  
52 hundred inhabitants.

53 2. (1) Notwithstanding the provisions of section  
54 163.011 to the contrary, beginning in school year 2026-27  
55 and for each subsequent school year, the state aid  
56 calculation for the school districts delineated in  
57 subdivision (4) of this subsection shall be calculated using  
58 the definition of "local effort" contained in subsection 4  
59 of this section and not the definition of "local effort"  
60 provided in section 163.011.

61 (2) Notwithstanding the provisions of section 163.044  
62 to the contrary, beginning in school year 2026-27 and for  
63 each subsequent school year, no school district delineated  
64 in subdivision (4) of this subsection shall receive any  
65 funds under section 163.044.

66 (3) Notwithstanding the provisions of section 163.031  
67 to the contrary, beginning in school year 2026-27 and for  
68 each subsequent school year, no school district delineated  
69 in subdivision (4) of this subsection shall receive state  
70 aid calculated under subsection 2 of section 163.031.

71 (4) Subdivisions (1) to (3) of this subsection apply  
72 to the following school districts:

73 (a) A school district whose boundaries wholly contain  
74 a city with more than two hundred sixty but fewer than two  
75 hundred ninety-three inhabitants and located in a county  
76 with more than fifteen thousand seven hundred but fewer than  
77 seventeen thousand six hundred inhabitants and with a county  
78 seat with more than seven thousand but fewer than nine  
79 thousand inhabitants;

80 (b) A school district whose boundaries wholly contain  
81 a city with more than seven hundred sixty but fewer than

82 eight hundred fifty-five inhabitants and located in a county  
83 with more than seven thousand but fewer than eight thousand  
84 inhabitants and with a county seat with fewer than four  
85 hundred eighty inhabitants;

86 (c) A school district whose boundaries wholly contain  
87 a city with more than nine hundred fifty-five but fewer than  
88 one thousand sixty inhabitants and located in a county with  
89 more than nine thousand nine hundred but fewer than eleven  
90 thousand inhabitants and with a county seat with more than  
91 two thousand five hundred but fewer than three thousand five  
92 hundred inhabitants; and

93 (d) A school district whose boundaries wholly contain  
94 a city with more than one thousand sixty but fewer than one  
95 thousand one hundred seventy inhabitants and partially  
96 located in a county with more than nine thousand nine  
97 hundred but fewer than eleven thousand inhabitants and with  
98 a county seat with more than two thousand five hundred but  
99 fewer than three thousand five hundred inhabitants.

100 3. (1) Notwithstanding the provisions of section  
101 163.011 to the contrary, beginning in school year 2026-27  
102 and for each subsequent school year, the state aid  
103 calculation for any school district delineated in  
104 subdivision (3) of this subsection shall be calculated using  
105 the definition of "local effort" contained in subsection 4  
106 of this section and not the definition of "local effort"  
107 provided in section 163.011.

108 (2) Notwithstanding the provisions of section 163.031  
109 to the contrary, beginning in school year 2026-27 and for  
110 each subsequent school year, no school district delineated  
111 in subdivision (3) of this subsection shall receive state  
112 aid calculated under subsection 2 of section 163.031.

113           (3) Subdivisions (1) and (2) of this subsection apply  
114 to the following school districts:

115           (a) A school district whose boundaries wholly contain  
116 a city with more than one thousand five hundred but fewer  
117 than one thousand seven hundred inhabitants and located in a  
118 county with more than seven thousand but fewer than eight  
119 thousand inhabitants and with a county seat with fewer than  
120 four hundred eighty inhabitants;

121           (b) A school district whose boundaries wholly contain  
122 a city with more than seven thousand but fewer than eight  
123 thousand inhabitants and that is the county seat of a county  
124 with more than fifteen thousand seven hundred but fewer than  
125 seventeen thousand six hundred inhabitants;

126           (c) A school district whose boundaries wholly contain  
127 a city with more than two thousand seven hundred but fewer  
128 than three thousand inhabitants and located in a county with  
129 more than nine thousand nine hundred but fewer than eleven  
130 thousand inhabitants and with a county seat with more than  
131 two thousand five hundred but fewer than three thousand five  
132 hundred inhabitants; and

133           (d) A school district whose boundaries wholly contain  
134 a city with more than one thousand three hundred but fewer  
135 than one thousand five hundred inhabitants and that is the  
136 county seat of a county with more than twenty-two thousand  
137 but fewer than twenty-five thousand inhabitants.

138           4. For purposes of this section only, "local effort"  
139 shall mean the following calculation: For each fiscal year  
140 calculation, local effort shall be computed as the equalized  
141 assessed valuation of the property of a school district in  
142 calendar year 2024 divided by one hundred and multiplied by  
143 the performance levy less the percentage retained by the  
144 county assessor and collector plus one hundred percent of

145 the amount received in fiscal year 2025 for school purposes  
146 from intangible taxes, fines, escheats, payments in lieu of  
147 taxes and receipts from state-assessed railroad and utility  
148 tax, one hundred percent of the amount received for school  
149 purposes pursuant to the merchants' and manufacturers' taxes  
150 under sections 150.010 to 150.370, one hundred percent of  
151 the amounts received for school purposes from federal  
152 properties under sections 12.070 and 12.080 except when such  
153 amounts are used in the calculation of federal impact aid  
154 pursuant to Pub. L. 81-874, fifty percent of Proposition C  
155 revenues received for school purposes from the school  
156 district trust fund under section 163.087, and one hundred  
157 percent of any local earnings or income taxes received by  
158 the district for school purposes.

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