

SECOND REGULAR SESSION

# SENATE BILL NO. 677

89TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR WESTFALL.

Read 1st time January 8, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S2979.011

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## AN ACT

To repeal section 164.013, RSMo 1994, relating to reduction of school operating levies, and to enact in lieu thereof one new section relating to the same subject.

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

Section A. Section 164.013, RSMo 1994, is repealed and one new section enacted in lieu thereof, to be known as section 164.013, to read as follows:

164.013. 1. When the revenue from the rate of one cent on the dollar of the state sales is collected for distribution under the provisions of section 163.087, RSMo, the school board of each six-director, including special districts, urban and metropolitan school districts, after determining its budget for the school year and the rate of levy needed to produce the required revenue as provided in section 164.011, and after making any other adjustments to the levy that may be required by any other law, shall, unless at least a simple majority of district voters voting thereon have approved a proposal to forego all or part of a reduction in the total operating levy for school purposes as provided for in this section, reduce the total operating levy for school purposes in an amount sufficient to decrease the revenue it would have received therefrom by an amount equal to fifty percent of the previous fiscal year's sales tax receipts excluding the sales tax revenue estimated to be received by the district attributable to pupils residing on federal lands and excluding the amount of sales tax revenue estimated to be necessary to offset the loss of property tax revenue to the school district under the provisions of section 50.338, RSMo[, except that the provision of this section shall not require a school board to reduce its total operating levy for school purposes below an amount which is equal to]. **A school board may, after making all levy adjustments required by law and the constitution of this state, increase the district's**

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

**operating levy to the lesser of the district's tax rate ceiling or** the highest amount specified in subsection 2 of section 163.021, RSMo, as an eligibility requirement for state aid or increased state aid pursuant to section 163.031, RSMo. Loss of revenue, due to a decrease in the assessed valuation of real property located within the school district as a result of general reassessment, and from state-assessed railroad and utility distributable property based upon the previous fiscal year's receipts shall be considered in lowering the rate of levy to comply with this section in the year of general reassessment and in each subsequent year. For any district for which the total assessed valuation of the district is reduced as a result of a natural disaster for which the county or counties containing the district were designated a disaster area, the reduction of the total operating levy for school purposes pursuant to this section may, at the district's discretion, be calculated either on the district's current assessed valuation or upon the district's assessed valuation for the year preceding the natural disaster, until the fifth year following the designation as a disaster area or until the district's assessed valuation equals or exceeds the district's assessed valuation for the year preceding the disaster, whichever first occurs. In the event that in the immediately preceding year the school district actually received more or less sales tax revenue than estimated, the school board shall adjust its operating levy for the current year to reflect such increase or decrease. Adjustments in the tax rate of a school district pursuant to the provisions of this section shall in no way affect the eligibility of claimants for benefits, or the amount of claimants' benefits, under the provisions of sections 135.010 to 135.035, RSMo. Such claimants shall, if they are otherwise qualified, receive the benefits to which they were or would have been entitled in the year prior to March 3, 1983. There shall be transferred from the school district trust fund to the general revenue fund an amount equal to the difference in the amount paid or credited or which would have been paid or credited to individuals qualifying under sections 135.010 to 135.035, RSMo, in the year prior to March 3, 1983, and the amount paid or credited under the provisions of such sections each year thereafter. The director of revenue shall certify the amount payable from the school district trust fund to the general revenue fund to the state treasurer, the commissioner of administration and the state board of education on or before the first day of each month. Any school district required to reduce its total operating levy under the provisions of this section shall not become ineligible for state aid under the provisions of section 163.021, RSMo, because of such required reduction. In the event a district fails to reduce its operating levy in compliance with this section, an amount equivalent to the amount by which the district fails to reduce its levy shall be deducted from the district's apportionment of state aid under the provisions of section 163.031, RSMo, for the following year.

2. In a year of general reassessment, as defined by section 137.073, RSMo, or assessment maintenance as defined by section 137.115, RSMo, in which a school district in reliance upon the information then available to it relating to the total assessed valuation of such school district revises its property tax levy pursuant to section 137.073 or 137.115, RSMo, and it is subsequently

determined by decisions of the state tax commission or a court pursuant to sections 138.430 to 138.433, RSMo, or due to clerical errors or corrections in the calculation or recordation of assessed valuations that the assessed valuation of such school district has been changed, and but for such change the school district would have adopted a different levy on the date of its original action, then the school district may adjust its levy to an amount to reflect such change in assessed valuation, including, if necessary, a change in the levy reduction required by this section to the amount it would have levied had the correct assessed valuation been known to it on the date of its original action, provided:

(1) The school district first levies the maximum levy allowed without a vote of the people by article X, section 11(b) of the constitution; and

(2) The school district first adopts the tax rate ceiling otherwise authorized by other laws of this state; and

(3) The levy adjustment or reduction may include a one-time correction to recoup lost revenues the school district was entitled to receive during the prior year.

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Bill

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