

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 1029
AN ACT

To repeal sections 67.547, 135.714, 135.715, 135.716,
and 162.821, RSMo, and to enact in lieu thereof seven
new sections relating to education.

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

Section A. Sections 67.547, 135.714, 135.715, 135.716,
2 and 162.821, RSMo, are repealed and seven new sections enacted
3 in lieu thereof, to be known as sections 67.547, 67.5420,
4 135.714, 135.715, 135.716, 162.192, and 162.821, to read as
5 follows:

67.547. 1. In addition to the tax authorized by
2 section 67.505, any county as defined in section 67.750 may,
3 by a majority vote of its governing body, impose an
4 additional county sales tax on all sales which are subject
5 to taxation under the provisions of sections 144.010 to
6 144.525. The tax authorized by this section shall be in
7 addition to any and all other sales tax allowed by law;
8 except that no ordinance or order imposing a sales tax under
9 the provisions of this section shall be effective unless the
10 governing body of the county submits to the voters of the
11 county, at a county or state general, primary or special
12 election, a proposal to authorize the governing body of the
13 county to impose such tax.

14 2. The ballot of submission shall contain, but need
15 not be limited to the following language:

16 Shall the county of _____ (county's name)
17 impose a countywide sales tax of _____
18 (insert rate) percent for the purpose of
19 _____ (insert purpose)?

20 YES NO

21 If you are in favor of the question, place an
22 "X" in the box opposite "YES". If you are
23 opposed to the question, place an "X" in the
24 box opposite "NO".

25 If a majority of the votes cast on the proposal by the
26 qualified voters voting thereon are in favor of the
27 proposal, then the ordinance or order and any amendments
28 thereto shall be in effect. If a majority of the votes cast
29 by the qualified voters voting are opposed to the proposal,
30 then the governing body of the county shall have no power to
31 impose the sales tax as herein authorized unless and until
32 the governing body of the county submits another proposal to
33 authorize the governing body of the county to impose the
34 sales tax under the provisions of this section and such
35 proposal is approved by a majority of the qualified voters
36 voting thereon. A county shall not submit to the voters a
37 proposed sales tax under this section for a period of two
38 years from the date of an election in which the county
39 previously submitted to the voters a proposed sales tax
40 under this section, regardless of whether the initial
41 proposed sales tax was approved or disapproved by the
42 voters. The revenue collected from the sales tax authorized
43 under this section shall only be used for the purpose
44 approved by voters of the county.

45 3. (1) The sales tax may be imposed at a rate of one-
46 eighth of one percent, one-fourth of one percent, three-
47 eighths of one percent, or one-half of one percent on the

48 receipts from the sale at retail of all tangible personal
49 property or taxable services at retail within any county
50 adopting such tax if such property and services are subject
51 to taxation by the state of Missouri under the provisions of
52 sections 144.010 to 144.525. In any city not within a
53 county or any county described in subsection 5 of this
54 section, no sales tax for the purpose of funding zoological
55 activities and zoological facilities as those terms are
56 defined in section 184.500 shall exceed a rate of one-eighth
57 of one percent unless the sales tax was levied and collected
58 before August 28, 2017. Beginning August 28, 2017, no
59 county shall submit to the voters any proposal that results
60 in a combined rate of sales taxes adopted under this section
61 in excess of one percent.

62 (2) Notwithstanding the provisions of subdivision (1)
63 of this subsection to the contrary, beginning August 28,
64 2025, a county with more than eight thousand but fewer than
65 eight thousand nine hundred inhabitants and with a county
66 seat with more than seven hundred thirty but fewer than
67 eight hundred inhabitants may impose a sales tax that
68 results in a combined rate of sales tax adopted pursuant to
69 this section in excess of one percent, but not in excess of
70 one and one-half percent, provided that any such sales tax
71 shall be for the purpose of providing law enforcement
72 services. All sales tax elections conducted during the
73 November 8, 2022, general election shall be deemed in
74 compliance with this subdivision, provided that the total
75 combined sales tax rate adopted pursuant to this section
76 does not exceed one and one-half percent.

77 4. Except as modified in this section, all provisions
78 of sections 32.085 and 32.087 shall apply to the tax imposed
79 under this section.

80 5. In any first class county having a charter form of
81 government and having a population of nine hundred thousand
82 or more, the proceeds of the sales tax authorized by this
83 section shall be distributed so that an amount equal to
84 three-eighths of the proceeds of the tax shall be
85 distributed to the county and the remaining five-eighths
86 shall be distributed to the cities, towns and villages and
87 the unincorporated area of the county on the ratio that the
88 population of each bears to the total population of the
89 county. Three-eighths of the tax rate adopted by such a
90 county shall be included in the calculation of the county's
91 one percent combined tax rate ceiling provided in subsection
92 3 of this section. The population of each city, town or
93 village and the unincorporated area of the county and the
94 total population of the county shall be determined on the
95 basis of the most recent federal decennial census. The
96 provisions of this subsection shall not apply if the revenue
97 collected is used to support zoological activities of the
98 zoological subdistrict as defined under section 184.352.
99 The provisions of this subsection shall not apply if the
100 revenue collected is used for the purpose of early childhood
101 education services, and such revenues shall be deposited in
102 the early childhood education fund and administered pursuant
103 to section 67.5420.

104 6. Except as prohibited under section 184.353,
105 residents of any county that does not adopt a sales tax
106 under this section for the purpose of supporting zoological
107 activities may be charged an admission fee for zoological
108 facilities, programs, or events that are not part of the
109 zoological subdistrict defined under subdivision (15) of
110 section 184.352 as of August 28, 2017.

111 7. In any county of the second classification with
112 more than nineteen thousand seven hundred but fewer than

113 nineteen thousand eight hundred inhabitants, the proceeds of
114 the sales tax authorized by this section shall be
115 distributed so that an amount equal to three-fourths of the
116 proceeds of the tax shall be distributed to the county and
117 the remaining one-fourth shall be distributed equally among
118 the incorporated cities, towns, and villages of the county.
119 Upon request from any city, town, or village within the
120 county, the county shall make available for inspection the
121 distribution report provided to the county by the department
122 of revenue. Any expenses incurred by the county in
123 supplying such report to a city, town, or village shall be
124 paid by such city, town, or village.

125 8. In any first class county having a charter form of
126 government and having a population of nine hundred thousand
127 or more, no tax shall be imposed pursuant to this section
128 for the purpose of funding in whole or in part the
129 construction, operation or maintenance of a sports stadium,
130 field house, indoor or outdoor recreational facility,
131 center, playing field, parking facility or anything
132 incidental or necessary to a complex suitable for any type
133 of professional sport or recreation, either upon, above or
134 below the ground.

135 9. No county in this state, other than a county with a
136 charter form of government and with more than nine hundred
137 fifty thousand inhabitants and a city not within a county,
138 shall impose a tax under this section for the purpose of
139 funding in whole or in part the construction, operation, or
140 maintenance of any zoological activities, zoological
141 facilities, zoological organizations, the metropolitan
142 zoological park and museum district as created under section
143 184.350, or any zoological boards.

144 10. The director of revenue may authorize the state
145 treasurer to make refunds from the amounts in the trust fund

146 and credited to any county for erroneous payments and
147 overpayments made, and may redeem dishonored checks and
148 drafts deposited to the credit of such counties. If any
149 county abolishes the tax, the county shall notify the
150 director of revenue of the action at least ninety days prior
151 to the effective date of the repeal and the director of
152 revenue may order retention in the trust fund, for a period
153 of one year, of two percent of the amount collected after
154 receipt of such notice to cover possible refunds or
155 overpayment of the tax and to redeem dishonored checks and
156 drafts deposited to the credit of such accounts. After one
157 year has elapsed after the effective date of abolition of
158 the tax in such county, the director of revenue shall remit
159 the balance in the account to the county and close the
160 account of that county. The director of revenue shall
161 notify each county of each instance of any amount refunded
162 or any check redeemed from receipts due the county.

163 11. No revenue received from a tax for the purpose of
164 funding zoological activities in any county shall be used
165 for the benefit of any entity that has ever been named
166 Grant's Farm or is located at ten thousand five hundred one
167 Gravois Road, Saint Louis, Missouri, or successor address,
168 or to supplant any funding received from the metropolitan
169 zoological park and museum district established under
170 section 184.350.

2 67.5420. 1. Notwithstanding any provision of law to
3 the contrary, all revenues generated by any tax imposed by a
4 county with more than one million inhabitants or by a city
5 not within a county and approved by the voters for the
6 purposes of establishing an early childhood education fund
7 to improve the quality of, affordability of, and access to
8 early childhood development programs for children aged five
years and younger shall be deposited in the county treasury

9 or, in a city not within a county, to a board of directors
10 established pursuant to section 210.861, to the credit of a
11 special "Early Childhood Education Fund" to accomplish the
12 purposes set out in this section and shall be used for no
13 other purpose.

14 2. (1) The administrative control and management of
15 the funds in the early childhood education fund and all
16 programs to be funded therefrom shall rest solely with the
17 board of directors established pursuant to section 210.861.
18 The board shall not be mandated to expend funds by an act of
19 state legislation without a majority vote of the voters of
20 the county or city not within a county. The board of
21 directors shall use or disburse the funds in the early
22 childhood education fund to provide and administer programs
23 improving the quality, affordability, and access to early
24 childhood development programs for children aged five years
25 and younger, prioritizing children in financial need. The
26 funds may be used for early childhood education and child
27 care provided by public, private, not-for-profit, and for-
28 profit entities licensed, contracted to receive child care
29 subsidies, or otherwise registered by the Missouri
30 department of elementary and secondary education, including
31 preschools, child care centers, nursery schools, local
32 education agencies, charter schools, Head Start and Early
33 Head Start programs, informal child care providers and
34 independent and system-affiliated family child care homes,
35 and transportation related to same.

36 (2) The board of directors may contract with any
37 person or entity to provide programs or services relating to
38 the programs described in subdivision (1) of this subsection
39 and may place conditions on the use of such funds. The
40 board shall reserve the right to audit the expenditure of
41 any and all funds. The board may establish eligibility

42 standards for the receipt and use of such funds. No member
43 of the board shall serve on the governing body, have any
44 financial interest in, or be employed by any entity that is
45 a recipient of funds from the early childhood education fund.

46 (3) The board of directors may accept any gift of
47 property or moneys for the use and benefit of the persons to
48 be served through the programs established and funded under
49 this section and may sell or exchange any such property so
50 long as such sale or exchange is in the best interests of
51 the programs provided under this section and the proceeds
52 from such sale or exchange are used exclusively to fund such
53 programs. The board of directors may solicit, accept, and
54 expend grants from private or public entities and enter into
55 agreements to effectuate such grants so long as the
56 transaction is in the best interest of the programs provided
57 by the board and the proceeds are used exclusively to fund
58 such programs.

59 (4) The provisions of subsections 3 to 6 of section
60 210.861 shall not apply to revenues deposited into the early
61 childhood education fund and administered pursuant to this
62 subsection.

135.714. 1. Each educational assistance organization
2 shall:

3 (1) Notify the state treasurer of such organization's
4 intent to provide scholarship accounts to qualified students;

5 (2) Demonstrate to the state treasurer that such
6 organization is exempt from federal income tax under Section
7 501(c)(3) of the Internal Revenue Code of 1986, as amended;

8 (3) Provide a state treasurer-approved receipt to
9 taxpayers for contributions made to the organization;

10 (4) Ensure that grants are distributed to scholarship
11 accounts of qualified students in the following order:

- 12 (a) Qualified students who received a scholarship
13 grant in the previous school year;
- 14 (b) Qualified students who are siblings of qualified
15 students who will receive a scholarship grant in the current
16 school year;
- 17 (c) Qualified students that have an approved
18 "individualized education plan" (IEP) developed under the
19 federal Individuals with Disabilities Education Act (IDEA),
20 20 U.S.C. Section 1400, et seq., as amended, or who have
21 been diagnosed with dyslexia, as the term "dyslexia" is
22 defined in section 633.420;
- 23 (d) Qualified students who are eligible for free lunch
24 as approved by the department of elementary and secondary
25 education in accordance with federal regulations and who
26 reside in an unaccredited or provisionally accredited school
27 district;
- 28 (e) Qualified students who are eligible for reduced
29 price lunch as approved by the department of elementary and
30 secondary education in accordance with federal regulations
31 and who reside in an unaccredited or provisionally
32 accredited school district;
- 33 (f) Qualified students who are eligible for free lunch
34 as approved by the department of elementary and secondary
35 education in accordance with federal regulations;
- 36 (g) Qualified students who are eligible for reduced
37 price lunch as approved by the department of elementary and
38 secondary education in accordance with federal regulations;
- 39 (h) Qualified students who are active duty military
40 dependents who have relocated to Missouri and are enrolling
41 in a school in the state for the first time; and
- 42 (i) All other qualified students;
- 43 (5) Ensure that:

44 (a) One hundred percent of such organization's
45 revenues from interest or investments is spent on
46 scholarship accounts;

47 (b) At least [ninety] ninety-four percent of such
48 organization's revenues from qualifying contributions [is]
49 and state appropriations are spent on scholarship accounts;
50 and

51 (c) [Marketing and] Administrative expenses of the
52 educational assistance organization do not exceed [the
53 following limits] three percent of such organization's
54 remaining revenue from contributions[:

55 a. Ten percent for the first two hundred fifty
56 thousand dollars;

57 b. Eight percent for the next five hundred thousand
58 dollars; and

59 c. Three percent thereafter] and appropriations;

60 (6) (a) Distribute scholarship account payments
61 either four times per year or in a single lump sum at the
62 beginning of the year as requested by the parent of a
63 qualified student, based on the state adequacy target as
64 defined in section 163.011 and calculated by the department
65 of elementary and secondary education, subject to the
66 following total grant amount limits:

67 a. For a qualified student who meets the criteria to
68 be included in a school district's limited English
69 proficiency pupil count as set forth in subdivision (8) of
70 section 163.011, not more than one hundred sixty percent of
71 the state adequacy target;

72 b. For a qualified student who is eligible for free or
73 reduced price lunch as approved by the department of
74 elementary and secondary education in accordance with
75 federal regulations, not more than one hundred twenty-five
76 percent of the state adequacy target;

77 c. For a qualified student who has an approved
78 individualized education plan developed under the federal
79 Individuals with Disabilities Education Act (IDEA), 20
80 U.S.C. Section 1400, et seq., as amended, not more than one
81 hundred seventy-five percent of the state adequacy target;
82 and

83 d. For all other qualified students, not more than the
84 state adequacy target;

85 (b) Scholarship account payments distributed under
86 this subdivision shall be in the form of a deposit into the
87 scholarship account of the qualified student;

88 (7) Provide the state treasurer, upon request, with
89 criminal background checks on all such organization's
90 employees and board members and exclude from employment or
91 governance any individual who might reasonably pose a risk
92 to the appropriate use of contributed funds;

93 (8) Demonstrate such organization's financial
94 accountability by [:

95 (a) Submitting to the state treasurer annual audit
96 financial statements by a certified public accountant within
97 six months of the end of the educational assistance
98 organization's fiscal year; and

99 (b) Having an auditor certify that the report is free
100 of material misstatements; and] submitting to an annual
101 audit conducted by the state auditor within six months of
102 the end of the educational assistance organization's fiscal
103 year;

104 (9) Ensure that participating students take the state
105 achievement tests or nationally norm-referenced tests that
106 measure learning gains in math and English language arts,
107 and provide for value-added assessment, in grades that
108 require testing under the statewide assessment system set
109 forth in section 160.518;

110 (10) Allow costs of the testing requirements to be
111 covered by the scholarships distributed by the educational
112 assistance organization;

113 (11) Provide the parents of each student who was
114 tested with a copy of the results of the tests on an annual
115 basis, beginning with the first year of testing;

116 (12) Provide the test results to the state treasurer,
117 the department of elementary and secondary education, and
118 the board established in section 135.715 on an annual basis,
119 beginning with the first year of testing;

120 (13) Report student information that would allow the
121 state treasurer, the department of elementary and secondary
122 education, and the board established in section 135.715 to
123 aggregate data by grade level, gender, family income level,
124 and race;

125 (14) Provide rates of high school graduation, college
126 attendance, and college graduation for participating
127 students to the state treasurer, the department of
128 elementary and secondary education, and the board
129 established in section 135.715 in a manner consistent with
130 nationally recognized standards;

131 (15) Provide to the state treasurer, the department of
132 elementary and secondary education, and the board
133 established in section 135.715 the results from an annual
134 parental satisfaction survey, including information about
135 the number of years that the parent's child has participated
136 in the scholarship program. The annual satisfaction survey
137 shall ask parents of scholarship students to express:

138 (a) Their level of satisfaction with the child's
139 academic achievement, including academic achievement at the
140 schools the child attends through the scholarship program
141 versus academic achievement at the school previously
142 attended;

143 (b) Their level of satisfaction with school safety at
144 the schools the child attends through the scholarship
145 program versus safety at the schools previously attended;

146 (16) Demonstrate such organization's financial
147 viability, if such organization is to receive donations of
148 fifty thousand dollars or more during the school year, by
149 filing with the state treasurer before the start of the
150 school year a surety bond payable to the state in an amount
151 equal to the aggregate amount of contributions expected to
152 be received during the school year or other financial
153 information that demonstrates the financial viability of the
154 educational assistance organization.

155 2. The annual audit required under this section shall
156 include:

157 (1) The name and address of the educational assistance
158 organization;

159 (2) The name and address of each qualified student for
160 whom a parent opened a scholarship account with the
161 organization;

162 (3) The total number and total dollar amount of
163 contributions received during the previous calendar year; and

164 (4) The total number and total dollar amount of
165 scholarship accounts opened during the previous calendar
166 year.

167 3. The state treasurer shall:

168 (1) Ensure compliance with all student privacy laws
169 for data in the state treasurer's possession;

170 (2) Collect all test results;

171 (3) Provide the test results and associated learning
172 gains to the public via a state website after the third year
173 of test and test-related data collection. The findings
174 shall be aggregated by the students' grade level, gender,

175 family income level, number of years of participation in the
176 scholarship program, and race; [and]

177 (4) Provide graduation rates to the public via a state
178 website after the third year of test and test-related data
179 collection; and

180 (5) Provide all information included in the annual
181 audit required pursuant to subsection 2 of this section if
182 requested by a public governmental body, as defined in
183 section 610.010, without redactions; provided that,
184 personally identifiable information of any qualified student
185 or such student's parent shall be a closed record under
186 chapter 610 and shall not be disclosed to the public by any
187 public governmental body. For purposes of this subdivision,
188 "personally identifiable information" includes any
189 information that meets the definition of "personally
190 identifiable information" under 34 CFR 99.3, as amended.

191 4. The state treasurer shall cause the following
192 information to be posted on the state treasurer's website
193 annually, provided that no personally identifiable
194 information of any student is released:

195 (1) The number of students who have been awarded a
196 scholarship to date and the number of students who have been
197 awarded a scholarship in the current school year;

198 (2) The number of scholarship recipients enrolled in
199 each qualified school, along with the number of recipients
200 who qualify for free and reduced price lunch and the number
201 of recipients who receive special education services and the
202 type of special education services received. Such
203 information shall be broken down by school year and the
204 total to date;

205 (3) The total number of scholarship recipients who are
206 eligible for free and reduced price lunch as approved by the
207 department of elementary and secondary education in

208 accordance with federal guidelines, broken down by school
209 year and the total to date;

210 (4) The total number of scholarship recipients who
211 have an individualized education plan (IEP) developed under
212 the federal Individuals with Disabilities Education Act, 20
213 U.S.C. Section 1400, et seq., as amended, broken down by
214 school year and the total to date;

215 (5) The number of scholarship recipients who have
216 received a grant from each educational assistance
217 organization, broken down by school year and the total to
218 date;

219 (6) The student test scores required to be posted
220 online pursuant to subdivision (3) of subsection 3 of this
221 section;

222 (7) The results of the parent satisfaction survey
223 required annually pursuant to subdivision (15) of subsection
224 1 of this section;

225 (8) The average dollar amount of a scholarship grant
226 for all students who participate in the program;

227 (9) The average dollar amount of a scholarship grant
228 for all students who participate in the program and who have
229 an IEP;

230 (10) The average duration of a student's participation
231 in the program;

232 (11) The number of students who are in their first
233 year of participation in the program;

234 (12) A list of the educational assistance
235 organizations that make contributions to the empowerment
236 scholarship accounts of students enrolled in each qualified
237 school; and

238 (13) The total amount of money that has been remitted
239 from qualified students' empowerment scholarship accounts to

240 each qualified school, broken down by school year and the
241 total aggregate amount.

242 5. An educational assistance organization may contract
243 with private financial management firms to manage
244 scholarship accounts with the supervision of the state
245 treasurer, provided that all laws and regulations that apply
246 to employees of such educational assistance organization
247 shall also apply to the actions of any employees of the
248 management firm while they are conducting work relating to
249 the direct decision-making of the operation of such
250 educational assistance organization.

135.715. 1. The cumulative amount of tax credits that
2 may be allocated to all taxpayers contributing to
3 educational assistance organizations in the first year of
4 the program shall not exceed twenty-five million dollars.

5 2. The state treasurer shall limit the number of
6 educational assistance organizations that are certified to
7 administer scholarship accounts to no more than ten such
8 organizations in any single school year. If the total
9 contributions to educational assistance organizations exceed
10 twenty-five million dollars in any school year, the state
11 treasurer may certify one additional educational assistance
12 organization to administer scholarship accounts. No more
13 than seven of such organizations shall have their principal
14 place of business in:

15 (1) A county of the first classification with more
16 than two hundred sixty thousand but fewer than three hundred
17 thousand inhabitants;

18 (2) A county with a charter form of government and
19 with more than six hundred thousand but fewer than seven
20 hundred thousand inhabitants;

21 (3) A county with a charter form of government and
22 with more than three hundred thousand but fewer than four
23 hundred fifty thousand inhabitants;

24 (4) A county with a charter form of government and
25 with more than nine hundred fifty thousand inhabitants; or

26 (5) A city not within a county.

27 3. The state treasurer may delegate any duties
28 assigned to the state treasurer under sections 135.712 to
29 135.719 and sections 166.700 to 166.720 to the "Missouri
30 Empowerment Scholarship Accounts Board", which is hereby
31 established. The Missouri empowerment scholarship accounts
32 board shall consist of the state treasurer, who shall serve
33 as chair, the commissioner of the department of higher
34 education and workforce development, the commissioner of
35 education, one member appointed by the president pro tempore
36 of the senate, one member appointed by the speaker of the
37 house of representatives, one member appointed by the
38 governor with the advice and consent of the senate, and one
39 member appointed by the six aforementioned board members who
40 is an employee of an educational assistance organization and
41 whose responsibilities are directly related to such
42 organization's involvement in the empowerment scholarship
43 accounts program. The appointed members shall serve terms
44 of four years or until their successors have been appointed
45 and qualified. The board shall have all powers and duties
46 assigned to the state treasurer under sections 135.712 to
47 135.719 and sections 166.700 to 166.720 that are delegated
48 to the board by the state treasurer. The board shall assist
49 the state treasurer with data collection, collaboration with
50 the department of elementary and secondary education, making
51 recommendations to the state treasurer regarding the
52 promulgation of rules concerning the program. Members of

53 the board shall not receive compensation for their service,
54 but may receive reimbursement for necessary expenses.

55 4. [Notwithstanding the provisions of subsection 7 of
56 section 135.716 to the contrary, four] Three percent of the
57 total qualifying contributions and state appropriations
58 received by each educational assistance organization per
59 calendar year shall be deposited in the Missouri empowerment
60 scholarship accounts fund to be used by the state treasurer
61 for [marketing and] administrative expenses or the costs
62 incurred in administering the program, whichever is less.

63 5. Notwithstanding the provisions of subdivision (5)
64 of subsection 2 of section 135.712 to the contrary, the term
65 "qualifying contribution" shall mean a donation of cash,
66 including, but not limited to, checks drawn on a banking
67 institution located in the continental United States in U.S.
68 dollars (other than cashier checks, or third-party checks
69 exceeding ten thousand dollars), money orders, payroll
70 deductions, and electronic fund transfers. This term shall
71 not include stocks, bonds, other marketable securities, or
72 property.

135.716. 1. The state treasurer shall provide a
2 standardized format for a receipt to be issued by an
3 educational assistance organization to a taxpayer to
4 indicate the value of a contribution received. The
5 department of revenue shall require a taxpayer to provide a
6 copy of this receipt if claiming the tax credit authorized
7 by the program.

8 2. The state treasurer shall provide a standardized
9 format for educational assistance organizations to report
10 the information required in subsection 1 of this section.

11 3. The state treasurer or state auditor may conduct an
12 investigation if the state treasurer possesses evidence of
13 fraud committed by the educational assistance organization.

14 4. The state treasurer may bar an educational
15 assistance organization from participating in the program if
16 the state treasurer establishes that the educational
17 assistance organization has intentionally and substantially
18 failed to comply with the requirements of section 135.714.
19 If the state treasurer bars an educational assistance
20 organization from the program under this subsection, the
21 organization shall notify affected qualified students and
22 their parents of the decision as soon as possible after the
23 decision is made.

24 5. The state treasurer shall issue a report on the
25 state of the program five years after it goes into effect.
26 The report shall include, but is not limited to:

27 (1) Information regarding the finances of the
28 educational assistance organizations; and

29 (2) Educational outcomes of qualified students.

30 6. (1) There is hereby created in the state treasury
31 the "Missouri Empowerment Scholarship Accounts Fund", which
32 shall consist of moneys collected under this section. The
33 state treasurer shall be custodian of the fund. In
34 accordance with sections 30.170 and 30.180, the state
35 treasurer may approve disbursements. The fund shall be a
36 dedicated fund, and moneys in the fund shall be used solely
37 by the state treasurer for the purposes of sections 135.712
38 to 135.719.

39 (2) Notwithstanding the provisions of section 33.080
40 to the contrary, any moneys remaining in the fund at the end
41 of the biennium shall not revert to the credit of the
42 general revenue fund.

43 (3) The state treasurer shall invest moneys in the
44 fund in the same manner as other funds are invested. Any
45 interest and moneys earned on such investments shall be
46 credited to the fund.

47 [7. Two percent of the total qualifying contributions
48 received by each educational assistance organization per
49 calendar year shall be deposited in the Missouri empowerment
50 scholarship accounts fund to be used by the state treasurer
51 for marketing and administrative expenses or the costs
52 incurred in administering the program, whichever is less.
53 The state treasurer shall establish procedures to ensure the
54 percentage of funds for administration of the program is
55 directed to the state treasurer in a timely manner with the
56 necessary information to verify the correct amount has been
57 transmitted.]

162.192. 1. For purposes of this section, "financial
2 ledger" means a searchable, machine-readable, publicly
3 accessible database maintained by a school district that:

4 (1) Sets forth all financial transactions conducted
5 with school district funds, including, but not limited to,
6 the school funds established pursuant to section 165.011;

7 (2) Is available without login credentials,
8 registration, or fees;

9 (3) Is downloadable and exportable in formats
10 including, but not limited to, comma-separated values (CSV)
11 format and Microsoft Excel format;

12 (4) Records all transactions using Missouri financial
13 accounting manual classification categories, as applicable;
14 and

15 (5) Includes the following minimum required data
16 fields for each financial transaction, and is searchable and
17 filterable by such fields, at minimum:

18 (a) Transaction date;

19 (b) Transaction amount;

20 (c) Revenue or expenditure designation;

21 (d) Fund code;

22 (e) Function code;

- 23 (f) Object code;
- 24 (g) Vendor or payee name; and
- 25 (h) Description or memo field.

26 2. Notwithstanding any provision of law to the
27 contrary, each school district shall maintain a financial
28 ledger on its publicly accessible website. The homepage of
29 each public school's website shall include a direct link to
30 the financial ledger of the school district that has
31 oversight responsibility for that public school. The link
32 shall make the financial ledger accessible within one click,
33 shall be clearly labeled as a link to the school district's
34 financial ledger, and shall be functional and mobile-
35 responsive. The department may provide standardized
36 language or icons that public schools may use for the
37 purpose of ensuring compliance with this subsection.

38 3. A school district's financial ledger shall be
39 updated at least monthly. Details of each calendar month's
40 financial transactions shall be posted no later than forty-
41 five days after the close of that calendar month.

42 4. For historical record keeping purposes, a school
43 district shall maintain complete financial ledger data on
44 its publicly accessible website for no fewer than five prior
45 fiscal years.

46 5. A school district may redact protected personal
47 information on the financial ledger only to the extent
48 required by applicable law. Vendor names, amounts, and
49 accounting codes shall not be redacted. Payroll data may be
50 presented in aggregated form where disclosure of individual
51 information is restricted.

52 6. Debt obligations shall be posted in a separate
53 section of the financial ledger, with disclosure of the
54 following information:

- 55 (1) Outstanding debt balances;

- 56 (2) Issuance dates;
- 57 (3) Repayment schedules;
- 58 (4) Annual debt service amounts; and
- 59 (5) Debt service as a percentage of total expenditures.

60 7. The department may provide or approve standardized
61 templates or platforms a school district may use to comply
62 with the provisions of this section. A school district may
63 use a third-party template or platform that is approved by
64 the department.

65 8. The department may provide guidance to assist
66 school districts in complying with the provisions of this
67 section. Such guidance may include:

68 (1) High-level expenditure summaries by classification
69 category under the Missouri financial accounting manual;

70 (2) Standardized definitions of terms to be used in
71 the financial ledger; and

72 (3) Clear explanations of methodology and limitations
73 applicable to the compilation and presentation of financial
74 ledger data.

75 9. School districts shall annually certify compliance
76 with this section to the department. The department shall
77 promulgate rules establishing procedures and timelines for
78 school districts to certify compliance.

79 10. If the department finds that any school district
80 has violated a provision of this section, the department may
81 withhold state aid to which the school district is entitled
82 under chapter 163 until the school district proves to the
83 satisfaction of the department that the school district is
84 no longer in violation of this section.

85 11. The department shall establish a process for
86 members of the public to file complaints with the department
87 if they believe a school district has violated any provision
88 of this section. The department may establish a public

89 compliance dashboard on the department's website to enable
90 members of the public to check whether a particular school
91 district is certified as in compliance with the provisions
92 of this section.

93 12. The department shall promulgate rules to implement
94 the provisions of this section. Any rule or portion of a
95 rule, as that term is defined in section 536.010, that is
96 created under the authority delegated in this section shall
97 become effective only if it complies with and is subject to
98 all of the provisions of chapter 536 and, if applicable,
99 section 536.028. This section and chapter 536 are
100 nonseverable and if any of the powers vested with the
101 general assembly pursuant to chapter 536 to review, to delay
102 the effective date, or to disapprove and annul a rule are
103 subsequently held unconstitutional, then the grant of
104 rulemaking authority and any rule proposed or adopted after
105 August 28, 2026, shall be invalid and void.

162.821. The district secretary shall keep a record of
2 the proceedings of all annual and special elections of the
3 voters of the district and of the proceedings of the board
4 of education. He shall make copies of the election notices,
5 contracts with teachers, certificates and all other papers
6 relating to the business of the district, and securely keep
7 the same. He shall maintain a correct plat of the district
8 and shall promptly notify the department of elementary and
9 secondary education and the county clerk of each county
10 affected of all changes in the boundaries of the district.
11 He shall transmit to the county commission and to the state
12 department of elementary and secondary education, on or
13 before the fifteenth day of August in each year, a report
14 embracing the following items:

15 (1) The number of children, male and female, attending
16 the public schools during the year;

- 17 (2) Total number of days' attendance by all such
18 children;
- 19 (3) The number of days the public schools of the
20 district have been maintained during the school year;
- 21 (4) The number of teachers employed, male and female,
22 and the wages per month of each;
- 23 (5) Estimated value of school property owned and
24 managed by the district;
- 25 (6) Assessed valuation of the district;
- 26 (7) Rate of school tax on the assessed valuation of
27 the district;
- 28 (8) Cash on hand at the beginning of the year;
- 29 (9) Tuition fees received and credited to the
30 teachers' fund of the district;
- 31 (10) Public funds received by county treasurer;
- 32 (11) District tax received by county (or township)
33 treasurer;
- 34 (12) Amount paid on teachers' wages;
- 35 (13) Amount paid for incidental expenses;
- 36 (14) Amount expended for purchasing site, erecting
37 schoolhouses, rent and repairs;
- 38 (15) Amount expended in cancelling bonded indebtedness
39 and paying interest on same;
- 40 (16) Amount expended for library;
- 41 (17) Amount expended for legal services. If the
42 report does not include the amount expended for legal
43 services, then the attorney general may investigate the
44 violation of this subdivision and may bring a civil action,
45 including an action for injunctive relief, against the
46 school district. Such action shall be brought in the county
47 where the school district is located;
- 48 (18) Cash on hand at the end of the year;

49 **[(18)]** (19) Such other information as may be required
50 by the state board of education.