

SECOND REGULAR SESSION

HOUSE BILL NO. 1894

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FREDERICK (Sponsor), JONES (110),
SCHARNHORST AND BARNES (Co-sponsors).

6003L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 177, RSMo, by adding thereto one new section relating to the sale of unused or vacant public school buildings, with an emergency clause.

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

Section A. Chapter 177, RSMo, is amended by adding thereto one new section, to be known as section 177.055, to read as follows:

177.055. 1. On or before July first of each year, school districts in this state that have been declared unaccredited or provisionally accredited under the authority of the state board of education to classify schools as established in section 161.092 shall report to the department of elementary and secondary education any buildings that were unused or vacant during a school year. In 2014, school districts shall report to the department any buildings that were unused or vacant in school years 2011-12, 2012-13, and 2013-14 and that remain unused or vacant. If a school district lists a building as unused or vacant for two consecutive years, the building shall remain on the list for at least forty-eight months or until a lease or sale is completed, whichever occurs first.

2. If a school district building is listed as unused or vacant according to reports provided to the department by a school district as required under subsection 1 of this section, the school district shall make the school building available for lease or sale to charter schools meeting the requirements of section 160.400. Notwithstanding any other provision of law, the price at which property is offered for sale to a charter school under this section shall not exceed the fair market value of the property nor shall the rent exceed the fair market rent for such building; fair market value or rent shall be determined by the

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 department of elementary and secondary education based on professional appraisal or
18 evaluation services selected at the department's discretion. If a school district does not
19 receive a bid from or enter into an agreement with a charter school within two years after
20 the building is listed as unused or vacant with the department, the school district may sell
21 the building to the highest bidder.

22 3. If a charter school notifies a school district that the charter school wants to lease
23 or purchase a building or part of a building that has been listed as unused or vacant with
24 the department, the school district or entity that owns the building shall enter into a sale
25 or lease agreement with the purchaser or lessee of the school district's choice. The lease
26 or sale shall include ingress to and egress from the building and, if the charter school is
27 leasing part of an unused or vacant building, the right to access and use common areas
28 shared by all tenants and users of the building. If a charter school leases or purchases an
29 entire building under this section, the charter school may encumber the building with
30 mortgages for debt to make improvements to the building and the school district or other
31 entity that enters into the lease shall subordinate its interest in the lease to the debt
32 encumbering the building. During the term of a lease, the charter school is responsible for
33 the direct expenses related to the building or part of the building leased, including utilities,
34 insurance, maintenance, property taxes and repairs attributed to the building or part of
35 the building leased by the charter school.

36 4. A school district or any other entity that owns a school district building shall
37 publicly identify the amount of debt owed on any building about which a potential buyer
38 has inquired within seven days after the inquiry. If a charter school offers to buy a
39 building that is owned or operated by a school district, the charter school shall complete
40 the transfer of the building for a price negotiated with the school district or other entity
41 within one year after the date of making a written offer of purchase. If a charter school
42 purchases a former school district building for less than the appraised value of the
43 building, the charter school shall not resell the building within five years at a price that
44 exceeds the sum of the original purchase price, any debt encumbering the building, real
45 estate commissions, and closing costs, unless the charter school's charter was subsequently
46 revoked by the charter school sponsor.

47 5. A school district shall not lease an unused or vacant school building back to that
48 school district or to another entity that is affiliated with that school district.

49 6. Notwithstanding any other provision of law, a school district may sell used
50 equipment to a charter school before the school district attempts to sell or dispose of the
51 equipment by other means.

Section B. Because of the importance of improving and sustaining Missouri's elementary
2 and secondary education system, this act is deemed necessary for the immediate preservation of
3 the public health, welfare, peace and safety, and is hereby declared to be an emergency act within
4 the meaning of the constitution, and this act shall be in full force and effect upon its passage and
5 approval.

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