

FIRST REGULAR SESSION

HOUSE BILL NO. 1102

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WALLACE.

2091L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 160.011, 163.011, 163.031, 163.044, 167.031, and 313.778, RSMo, and to enact in lieu thereof twelve new sections relating to preventing school failure, with an emergency clause for certain sections.

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

Section A. Sections 160.011, 163.011, 163.031, 163.044, 167.031, and 313.778, RSMo, are repealed and twelve new sections enacted in lieu thereof, to be known as sections 160.011, 160.535, 160.536, 160.537, 160.539, 163.011, 163.031, 163.044, 163.405, 167.031, 167.710, and 313.778, to read as follows:

160.011. As used in chapters 160, 161, 162, 163, 164, 165, 167, 168, 170, 171, 177 and 178, RSMo, the following terms mean:

(1) "District" or "school district", when used alone, may include seven-director, urban, and metropolitan school districts;

(2) "Elementary school", a public school giving instruction in a grade or grades not higher than the eighth grade;

(3) "Family literacy programs", services of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in families that include:

(a) Interactive literacy activities between parents and their children;

(b) Training of parents regarding how to be the primary teacher of their children and full partners in the education of their children;

(c) Parent literacy training that leads to high school completion and economic self sufficiency; and

(d) An age-appropriate education to prepare children of all ages for success in school;

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.

15 (4) "Graduation rate", the quotient of the number of graduates in the current year as of
16 June thirtieth divided by the sum of the number of graduates in the current year as of June
17 thirtieth plus the number of twelfth graders who dropped out in the current year plus the number
18 of eleventh graders who dropped out in the preceding year plus the number of tenth graders who
19 dropped out in the second preceding year plus the number of ninth graders who dropped out in
20 the third preceding year;

21 (5) "High school", a public school giving instruction in a grade or grades not lower than
22 the ninth nor higher than the twelfth grade;

23 (6) "Metropolitan school district", any school district the boundaries of which are
24 coterminous with the limits of any city which is not within a county;

25 (7) "Public school" includes all elementary and high schools operated at public expense;

26 (8) "School board", the board of education having general control of the property and
27 affairs of any school district;

28 (9) "School term", a minimum of one hundred seventy-four school days, as that term is
29 defined in section 160.041, and one thousand forty-four hours of actual pupil attendance as
30 scheduled by the board pursuant to section 171.031, RSMo, during a twelve-month period in
31 which the academic instruction of pupils is actually and regularly carried on for a group of
32 students in the public schools of any school district. A "school term" may be within a school
33 year or may consist of parts of two consecutive school years, but does not include summer
34 school. A district may choose to operate two or more terms for different groups of children. **A**
35 **school term for students participating in a school flex program as established in section**
36 **160.539 may consist of a combination of actual pupil attendance and attendance at college**
37 **or technical career education or approved employment aligned with the student's career**
38 **academic plan for a total of one thousand forty-four hours;**

39 (10) "Secretary", the secretary of the board of a school district;

40 (11) "Seven-director district", any school district which has seven directors and includes
41 urban districts regardless of the number of directors an urban district may have unless otherwise
42 provided by law;

43 (12) "Taxpayer", any individual who has paid taxes to the state or any subdivision
44 thereof within the immediately preceding twelve-month period or the spouse of such individual;

45 (13) "Town", any town or village, whether or not incorporated, the plat of which has
46 been filed in the office of the recorder of deeds of the county in which it is situated;

47 (14) "Urban school district", any district which includes more than half of the population
48 or land area of any city which has not less than seventy thousand inhabitants, other than a city
49 which is not within a county.

160.535. 1. As used in sections 160.535 to 160.539, the following terms shall have the meanings ascribed to them in this subsection:

(1) "Chronic failure" shall be determined based upon, but not limited to, the evaluation of each building's performance pursuant to the Missouri school improvement program or successor program implemented by the department of elementary and secondary education and the state board of education;

(2) "Good cause" shall include but not be limited to consideration of student performance on statewide assessments;

(3) "Review committee" shall mean the Missouri school improvement program evaluation team;

(4) "Underperform" or "underperformance" shall be determined by the department of elementary and secondary education in districts that have not been declared by the department to be in a state of chronic failure. Underperformance includes but is not limited to failure to make adequate yearly progress or failure to achieve improvement on a district's annual performance report. Underperformance may result in a district being targeted for intervention to prevent chronic failure.

2. By July 1, 2010, the state board of education shall establish a process through which a building or buildings within a school district which have been targeted for intervention by the review committee and which continue to underperform after a period of two years shall be designated as chronically failing to improve the educational program provided to students served by the school or schools. Such process shall be consistent with the goals and standards adopted by the state board of education.

3. After a school is targeted for intervention, the school district shall ensure that all contracts issued to employees within the targeted building, including but not limited to contracts issued to certificated employees, include a statement advising the employees that such employment contracts may be voided pursuant to the terms and conditions of this section if the building is designated a chronically failing school.

4. Notwithstanding any other provision of law:

(1) If a building within a district is designated as chronically failing, the superintendent, in consultation with the board of education, shall be authorized immediately to terminate the employment of the principal of each such building. The terminated principal may not be assigned to a building in an administrative capacity for the following school year unless the local board of education finds that the principal did not play a significant role in the underperformance of the building. The superintendent may designate a new principal for the building if the principal is removed;

36 (2) The board of education with the recommendation of the principal of a
37 chronically failing building and consultation with the superintendent, shall be authorized
38 to terminate for good cause the employment of any employee assigned to the building,
39 without regard to the procedures set forth in sections 168.011 to 168.300, RSMo, or the
40 provisions of any collective bargaining agreement. Such terminated employee shall not
41 have the right to displace any employee in any other building in the district;

42 (3) Any certificated employee who is terminated pursuant to the provisions of this
43 section shall receive written notice of the decision to terminate five school days prior to the
44 effective date of the termination. Such certificated employee may seek review of a
45 termination decision within five school days after receiving written notice of termination
46 by filing a petition with the local board of education. The local board of education, or a
47 duly appointed subcommittee thereof, shall conduct a hearing to review the termination
48 decision. The local board of education or subcommittee thereof shall consider the
49 underperformance of the building, whether the employee's performance contributed to the
50 underperformance or lack of improvement in performance, whether the
51 underperformance was due to factors beyond the control of the employee, and shall
52 consider any report from the advisory council established under subsection 5 of this section
53 that evaluates the employee's performance. A written decision shall be issued within ten
54 school days from the completion of the hearing. Any party aggrieved by the decision may
55 file an appeal under provisions of chapter 536, RSMo;

56 (4) A local board of education shall be authorized to suspend indefinite contracts
57 and issue probationary contracts to all certificated employees in a building declared
58 chronically failing. Any certificated employee with permanent teacher status in the district
59 may seek review of a suspension decision within five school days after receiving written
60 notice of the decision by filing a petition with the local board of education. The local board
61 of education or a duly appointed subcommittee thereof shall conduct a hearing to review
62 the decision. The local board of education or subcommittee shall consider the
63 underperformance of the building, whether the employee's performance contributed to the
64 underperformance or lack of improvement in performance, whether the
65 underperformance was due to factors beyond the control of the employee, and shall
66 consider any report from the fact-finding team that evaluates the employee's performance.
67 A written decision shall be issued within ten school days from the completion of the
68 hearing. Any party aggrieved by the decision may file an appeal under the provisions of
69 chapter 536, RSMo;

70 5. The commissioner of education, or the local board of education with approval
71 of the commissioner, shall appoint an advisory council of appropriate size and

72 representation for one or more buildings within the district to assist with remediation
73 efforts undertaken by the district. The advisory council shall assist with implementation
74 and monitoring of the district's remedial plan within the areas of deficiency identified by
75 the state board of education or the commissioner of education. Members of the advisory
76 council shall provide on-site assistance to the district on a daily basis when needed. The
77 advisory council shall periodically report to the state board of education and the local
78 board of education. A majority of the members of the advisory council must possess an
79 advanced degree in education.

80 **6. Notwithstanding any other provision of law, any district that has one or more**
81 **buildings declared chronically failing shall provide summer school programming to any**
82 **student making application in the areas of communication arts, math, science, and social**
83 **studies.**

84 **7. If a chronically failing building does not receive funding from the district at least**
85 **equal to the average per-pupil funding received for students of the same classification and**
86 **grade level in the district, the district shall provide additional funding sufficient to bring**
87 **funding for the building to such level.**

160.536. 1. The commissioner of education shall appoint a director of school
2 **revitalization who shall be employed by the department of elementary and secondary**
3 **education and shall report directly to the commissioner of education. The director shall**
4 **oversee the activities of any advisory councils appointed under section 160.535 and shall**
5 **be responsible for identifying qualified principals who are willing to work in**
6 **underperforming schools.**

7 **2. Notwithstanding any other provision of law, in order to recruit and retain**
8 **talented certificated employees, the commissioner of education shall make funds available**
9 **to permit the superintendent during the period of remediation to increase the salary of any**
10 **certificated employee assigned to a chronically failing building. Such increase in salary**
11 **shall not exceed one percent for every ten percent of the enrollment of the building**
12 **comprised of students who are eligible for free or reduced price lunches.**

13 **3. In addition to the salary supplement set forth in this section, qualified principals**
14 **recruited and working in chronically failing schools shall receive performance-based**
15 **increases in compensation for increases in student achievement in accordance with**
16 **requirements established by the department of elementary and secondary education.**

160.537. 1. The department of elementary and secondary education shall establish
2 **a grant program through which districts in which a building or buildings have been**
3 **determined to be chronically failing shall receive additional funding to assist with**
4 **improvement efforts, provided the school district files a comprehensive district**

5 improvement plan with the state board of education and the board grants final approval
6 for the plan. Reform plans shall provide for school-wide or district-wide reform as
7 appropriate. The department shall approve only reform plans that include proven
8 methods that produce replicable results in improving student performance. In fulfilling
9 the requirements of this section, the department shall be authorized to contract with school
10 support specialists, turnaround partners, and such other experts as deemed necessary to
11 improve district or building performance.

12 **2. No funds received through the grant program shall be expended by a district on**
13 **targeted intervention unless the department has approved, as part of the comprehensive**
14 **improvement plan, a district-wide professional development plan which addresses the**
15 **needs of the district. Professional development activities for purposes of this subsection**
16 **shall include, but not be limited to:**

17 **(1) Specialized training for superintendents, principals, school and district staff in**
18 **the area of revitalization;**

19 **(2) Professional development among teachers of the same grade levels and teachers**
20 **of the same subject matter across grade levels;**

21 **(3) Professional development focused on improving teachers' content knowledge**
22 **in the subject areas in which the teachers are practicing;**

23 **(4) Professional development which provides teachers with research-based**
24 **strategies for increasing student success;**

25 **(5) Professional development teaching the principles of data-driven instruction; and**

26 **(6) Professional development which provides high quality leadership training for**
27 **principals and other administrators in a program approved by the department; provided**
28 **that the training shall focus on expanding and increasing the capacity of principals or**
29 **other administrators to be instructional and educational leaders within the district, and**
30 **shall include but not be limited to:**

31 **(a) Training effective personnel;**

32 **(b) Curriculum development with a focus on aligning the curriculum with the**
33 **Missouri curriculum frameworks;**

34 **(c) School-based management skills with a focus on distributed leadership;**

35 **(d) Data analysis skills that enhance the capacity of principals or administrators**
36 **to create an environment of data-driven instructional change; and**

37 **(e) Techniques for developing cooperative relationships with parents and**
38 **community organizations.**

39

40 Funds from a targeted intervention grant may also be expended for the purchase of
41 instructional materials, provided that the purchase of such materials is part of a
42 comprehensive plan to align the building or district curriculum with the Missouri
43 curriculum frameworks.

44 3. The initial grant shall be awarded for a period of twenty-four months and may
45 be renewed pursuant to criteria established by the department.

160.539. 1. The "School Flex Program" is established to allow eligible students to
2 pursue a timely graduation from high school. The term "eligible students" includes
3 students in grades 11 or 12 who have been identified by the student's principal and the
4 student's parent or guardian to benefit by participating in the school flex program.

5 2. An eligible student who participates in a school flex program shall:

6 (1) Attend school a minimum of two instructional hours per school day within the
7 district of residence;

8 (2) Pursue a timely graduation;

9 (3) Provide evidence of college or technical career education enrollment and
10 attendance, or proof of employment and labor that is aligned with the student's career
11 academic plan which has been developed by the school district;

12 (4) Refrain from being expelled or suspended while participating in a school flex
13 program;

14 (5) Pursue course and credit requirements for a diploma; and

15 (6) Maintain a ninety-five percent attendance rate.

16 3. Eligible students participating in the school flex program shall be considered
17 full-time students of the school district and shall be counted in the school's average daily
18 attendance for state basic aid purposes.

19 4. School districts participating in the school flex program shall submit, on forms
20 provided by the department, an annual report to the department which shall include
21 information required by the department, including but not limited to student participation,
22 dropout, and graduation rates for students participating in the program. The department
23 shall annually report to the joint committee on education under section 160.254 on the
24 effectiveness of the program.

163.011. As used in this chapter unless the context requires otherwise:

2 (1) "Adjusted operating levy", the sum of tax rates for the current year for teachers' and
3 incidental funds for a school district as reported to the proper officer of each county pursuant to
4 section 164.011, RSMo;

5 (2) "Average daily attendance", the quotient or the sum of the quotients obtained by
6 dividing the total number of hours attended in a term by resident pupils between the ages of five

7 and twenty-one by the actual number of hours school was in session in that term. To the average
8 daily attendance of the following school term shall be added the full-time equivalent average
9 daily attendance of summer school students. "Full-time equivalent average daily attendance of
10 summer school students" shall be computed by dividing the total number of hours, except for
11 physical education hours that do not count as credit toward graduation for students in grades
12 nine, ten, eleven, and twelve, attended by all summer school pupils by the number of hours
13 required in section 160.011, RSMo, in the school term. For purposes of determining average
14 daily attendance under this subdivision, the term "resident pupil" shall include all children
15 between the ages of five and twenty-one who are residents of the school district and who are
16 attending kindergarten through grade twelve in such district. If a child is attending school in a
17 district other than the district of residence and the child's parent is teaching in the school district
18 or is a regular employee of the school district which the child is attending, then such child shall
19 be considered a resident pupil of the school district which the child is attending for such period
20 of time when the district of residence is not otherwise liable for tuition. Average daily
21 attendance for students below the age of five years for which a school district may receive state
22 aid based on such attendance shall be computed as regular school term attendance unless
23 otherwise provided by law;

24 (3) "Current operating expenditures":

25 (a) For the fiscal year 2007 calculation, "current operating expenditures" shall be
26 calculated using data from fiscal year 2004 and shall be calculated as all expenditures for
27 instruction and support services except capital outlay and debt service expenditures minus the
28 revenue from federal categorical sources; food service; student activities; categorical payments
29 for transportation costs pursuant to section 163.161; state reimbursements for early childhood
30 special education; the career ladder entitlement for the district, as provided for in sections
31 168.500 to 168.515, RSMo; the vocational education entitlement for the district, as provided for
32 in section 167.332, RSMo; and payments from other districts;

33 (b) In every fiscal year subsequent to fiscal year 2007, current operating expenditures
34 shall be the amount in paragraph (a) plus any increases in state funding pursuant to sections
35 163.031 and 163.043 subsequent to fiscal year 2005, not to exceed five percent, per
36 recalculation, of the state revenue received by a district in the 2004-05 school year from the
37 foundation formula, line 14, gifted, remedial reading, exceptional pupil aid, fair share, and free
38 textbook payments for any district from the first preceding calculation of the state adequacy
39 target;

40 (4) "District's tax rate ceiling", the highest tax rate ceiling in effect subsequent to the
41 1980 tax year or any subsequent year. Such tax rate ceiling shall not contain any tax levy for
42 debt service;

43 (5) "Dollar-value modifier", an index of the relative purchasing power of a dollar,
44 calculated as one plus fifteen percent of the difference of the regional wage ratio minus one,
45 provided that the dollar value modifier shall not be applied at a rate less than 1.0:

46 (a) "County wage per job", the total county wage and salary disbursements divided by
47 the total county wage and salary employment for each county and the city of St. Louis as reported
48 by the Bureau of Economic Analysis of the United States Department of Commerce for the
49 fourth year preceding the payment year;

50 (b) "Regional wage per job":

51 a. The total Missouri wage and salary disbursements of the metropolitan area as defined
52 by the Office of Management and Budget divided by the total Missouri metropolitan wage and
53 salary employment for the metropolitan area for the county signified in the school district number
54 or the city of St. Louis, as reported by the Bureau of Economic Analysis of the United States
55 Department of Commerce for the fourth year preceding the payment year and recalculated upon
56 every decennial census to incorporate counties that are newly added to the description of
57 metropolitan areas; or if no such metropolitan area is established, then:

58 b. The total Missouri wage and salary disbursements of the micropolitan area as defined
59 by the Office of Management and Budget divided by the total Missouri micropolitan wage and
60 salary employment for the micropolitan area for the county signified in the school district
61 number, as reported by the Bureau of Economic Analysis of the United States Department of
62 Commerce for the fourth year preceding the payment year, if a micropolitan area for such county
63 has been established and recalculated upon every decennial census to incorporate counties that
64 are newly added to the description of micropolitan areas; or

65 c. If a county is not part of a metropolitan or micropolitan area as established by the
66 Office of Management and Budget, then the county wage per job, as defined in paragraph (a) of
67 this subdivision, shall be used for the school district, as signified by the school district number;

68 (c) "Regional wage ratio", the ratio of the regional wage per job divided by the state
69 median wage per job;

70 (d) "State median wage per job", the fifty-eighth highest county wage per job;

71 (6) "Free and reduced lunch pupil count", the number of pupils eligible for free and
72 reduced lunch on the last Wednesday in January for the preceding school year who were enrolled
73 as students of the district, as approved by the department in accordance with applicable federal
74 regulations;

75 (7) "Free and reduced lunch threshold" shall be calculated by dividing the total free and
76 reduced lunch pupil count of every performance district that falls entirely above the bottom five
77 percent and entirely below the top five percent of average daily attendance, when such districts

78 are rank-ordered based on their current operating expenditures per average daily attendance, by
79 the total average daily attendance of all included performance districts;

80 (8) "Limited English proficiency pupil count", the number in the preceding school year
81 of pupils aged three through twenty-one enrolled or preparing to enroll in an elementary school
82 or secondary school who were not born in the United States or whose native language is a
83 language other than English or are Native American or Alaskan native, or a native resident of
84 the outlying areas, and come from an environment where a language other than English has had
85 a significant impact on such individuals' level of English language proficiency, or are migratory,
86 whose native language is a language other than English, and who come from an environment
87 where a language other than English is dominant; and have difficulties in speaking, reading,
88 writing, or understanding the English language sufficient to deny such individuals the ability to
89 meet the state's proficient level of achievement on state assessments described in Public Law
90 107-10, the ability to achieve successfully in classrooms where the language of instruction is
91 English, or the opportunity to participate fully in society;

92 (9) "Limited English proficiency threshold" shall be calculated by dividing the total
93 limited English proficiency pupil count of every performance district that falls entirely above the
94 bottom five percent and entirely below the top five percent of average daily attendance, when
95 such districts are rank-ordered based on their current operating expenditures per average daily
96 attendance, by the total average daily attendance of all included performance districts;

97 (10) "Local effort":

98 (a) For the fiscal year 2007 calculation, "local effort" shall be computed as the equalized
99 assessed valuation of the property of a school district in calendar year 2004 divided by one
100 hundred and multiplied by the performance levy less the percentage retained by the county
101 assessor and collector plus one hundred percent of the amount received in fiscal year 2005 for
102 school purposes from intangible taxes, fines, escheats, payments in lieu of taxes and receipts
103 from state-assessed railroad and utility tax, one hundred percent of the amount received for
104 school purposes pursuant to the merchants' and manufacturers' taxes under sections 150.010 to
105 150.370, RSMo, one hundred percent of the amounts received for school purposes from federal
106 properties under sections 12.070 and 12.080, RSMo, except when such amounts are used in the
107 calculation of federal impact aid pursuant to P.L. 81-874, fifty percent of Proposition C revenues
108 received for school purposes from the school district trust fund under section 163.087, and one
109 hundred percent of any local earnings or income taxes received by the district for school
110 purposes. Under this paragraph, for a special district established under sections 162.815 to
111 162.940, RSMo, in a county with a charter form of government and with more than one million
112 inhabitants, a tax levy of zero shall be utilized in lieu of the performance levy for the special
113 school district;

114 (b) In every year subsequent to fiscal year 2007, "local effort" shall be the amount
115 calculated under paragraph (a) of this subdivision plus any increase in the amount received for
116 school purposes from fines. If a district's assessed valuation has decreased subsequent to the
117 calculation outlined in paragraph (a) of this subdivision, the district's local effort shall be
118 calculated using the district's current assessed valuation in lieu of the assessed valuation utilized
119 in calculation outlined in paragraph (a) of this subdivision;

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

121 (a) The number of resident full-time students and the full-time equivalent number of
122 part-time students who were enrolled in the public schools of the district on the last Wednesday
123 in September of the previous year and who were in attendance one day or more during the
124 preceding ten school days; and

125 (b) The number of resident full-time students and the full-time equivalent number of
126 part-time students who were enrolled in the public schools of the district on the last Wednesday
127 in January of the previous year and who were in attendance one day or more during the preceding
128 ten school days, plus the full-time equivalent number of summer school pupils. "Full-time
129 equivalent number of part-time students" is determined by dividing the total number of hours for
130 which all part-time students are enrolled by the number of hours in the school term. "Full-time
131 equivalent number of summer school pupils" is determined by dividing the total number of hours
132 for which all summer school pupils were enrolled by the number of hours required pursuant to
133 section 160.011, RSMo, in the school term. Only students eligible to be counted for average
134 daily attendance shall be counted for membership;

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

140 (13) "Performance district", any district that has met all performance standards and
141 indicators as established by the department of elementary and secondary education for purposes
142 of accreditation under section 161.092, RSMo, and as reported on the final annual performance
143 report for that district each year;

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

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

146 (16) "Special education pupil count", the number of public school students with a current
147 individualized education program and receiving services from the resident district as of
148 December first of the preceding school year, except for special education services provided
149 through a school district established under sections 162.815 to 162.940, RSMo, in a county with

150 a charter form of government and with more than one million inhabitants, in which case the sum
151 of the students in each district within the county exceeding the special education threshold of
152 each respective district within the county shall be counted within the special district and not in
153 the district of residence for purposes of distributing the state aid derived from the special
154 education pupil count;

155 (17) "Special education threshold" shall be calculated by dividing the total special
156 education pupil count of every performance district that falls entirely above the bottom five
157 percent and entirely below the top five percent of average daily attendance, when such districts
158 are rank-ordered based on their current operating expenditures per average daily attendance, by
159 the total average daily attendance of all included performance districts;

160 (18) "State adequacy target", the sum of the current operating expenditures of every
161 performance district that falls entirely above the bottom five percent and entirely below the top
162 five percent of average daily attendance, when such districts are rank-ordered based on their
163 current operating expenditures per average daily attendance, divided by the total average daily
164 attendance of all included performance districts [plus the total amount of funds placed in the
165 schools first elementary and secondary education improvement fund in the preceding fiscal year
166 divided by the total average daily attendance of all school districts for the preceding fiscal year].
167 The department of elementary and secondary education shall first calculate the state adequacy
168 target for fiscal year 2007 and recalculate the state adequacy target every two years using the
169 most current available data[; provided that the state adequacy target shall be recalculated every
170 year to reflect the per-pupil amount of funds placed in the schools first elementary and secondary
171 education improvement fund in the preceding fiscal year]. The recalculation shall never result
172 in a decrease from the previous state adequacy target amount. Should a recalculation result in
173 an increase in the state adequacy target amount, fifty percent of that increase shall be included
174 in the state adequacy target amount in the year of recalculation, and fifty percent of that increase
175 shall be included in the state adequacy target amount in the subsequent year. The state adequacy
176 target may be adjusted to accommodate available appropriations;

177 (19) "Teacher", any teacher, teacher-secretary, substitute teacher, supervisor, principal,
178 supervising principal, superintendent or assistant superintendent, school nurse, social worker,
179 counselor or librarian who shall, regularly, teach or be employed for no higher than grade twelve
180 more than one-half time in the public schools and who is certified under the laws governing the
181 certification of teachers in Missouri;

182 (20) "Weighted average daily attendance", the average daily attendance plus the product
183 of twenty-five hundredths multiplied by the free and reduced lunch pupil count that exceeds the
184 free and reduced lunch threshold, plus the product of seventy-five hundredths multiplied by the
185 number of special education pupil count that exceeds the special education threshold, and plus

186 the product of six-tenths multiplied by the number of limited English proficiency pupil count that
187 exceeds the limited English proficiency threshold. For special districts established under
188 sections 162.815 to 162.940, RSMo, in a county with a charter form of government and with
189 more than one million inhabitants, weighted average daily attendance shall be the average daily
190 attendance plus the product of twenty-five hundredths multiplied by the free and reduced lunch
191 pupil count that exceeds the free and reduced lunch threshold, plus the product of seventy-five
192 hundredths multiplied by the sum of the special education pupil count that exceeds the threshold
193 for each county district, plus the product of six-tenths multiplied by the limited English
194 proficiency pupil count that exceeds the limited English proficiency threshold. None of the
195 districts comprising a special district established under sections 162.815 to 162.940, RSMo, in
196 a county with a charter form of government and with more than one million inhabitants, shall use
197 any special education pupil count in calculating their weighted average daily attendance.

163.031. 1. The department of elementary and secondary education shall calculate and
2 distribute to each school district qualified to receive state aid under section 163.021 an amount
3 determined by multiplying the district's weighted average daily attendance by the state adequacy
4 target, multiplying this product by the dollar value modifier for the district, and subtracting from
5 this product the district's local effort and, in years not governed under subsection 4 of this
6 section, subtracting payments from the classroom trust fund under section 163.043.

7 2. Other provisions of law to the contrary notwithstanding:

8 (1) For districts with an average daily attendance of more than three hundred fifty in the
9 school year preceding the payment year:

10 (a) For the 2006-07 school year, the state revenue per weighted average daily attendance
11 received by a district from the state aid calculation under subsections 1 and 4 of this section, as
12 applicable, and the classroom trust fund under section 163.043 shall not be less than the state
13 revenue received by a district in the 2005-06 school year from the foundation formula, line 14,
14 gifted, remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts
15 multiplied by the sum of one plus the product of one-third multiplied by the remainder of the
16 dollar value modifier minus one, and dividing this product by the weighted average daily
17 attendance computed for the 2005-06 school year;

18 (b) For the 2007-08 school year, the state revenue per weighted average daily attendance
19 received by a district from the state aid calculation under subsections 1 and 4 of this section, as
20 applicable, and the classroom trust fund under section 163.043 shall not be less than the state
21 revenue received by a district in the 2005-06 school year from the foundation formula, line 14,
22 gifted, remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts
23 multiplied by the sum of one plus the product of two-thirds multiplied by the remainder of the

24 dollar value modifier minus one, and dividing this product by the weighted average daily
25 attendance computed for the 2005-06 school year;

26 (c) For the 2008-09 school year, the state revenue per weighted average daily attendance
27 received by a district from the state aid calculation under subsections 1 and 4 of this section, as
28 applicable, and the classroom trust fund under section 163.043 shall not be less than the state
29 revenue received by a district in the 2005-06 school year from the foundation formula, line 14,
30 gifted, remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts
31 multiplied by the dollar value modifier, and dividing this product by the weighted average daily
32 attendance computed for the 2005-06 school year;

33 (d) For each year subsequent to the 2008-09 school year, the amount shall be no less than
34 that computed in paragraph (c) of this subdivision, multiplied by the weighted average daily
35 attendance pursuant to section 163.036, less any increase in revenue received from the classroom
36 trust fund under section 163.043;

37 (2) For districts with an average daily attendance of three hundred fifty or less in the
38 school year preceding the payment year:

39 (a) For the 2006-07 school year, the state revenue received by a district from the state
40 aid calculation under subsections 1 and 4 of this section, as applicable, and the classroom trust
41 fund under section 163.043 shall not be less than the greater of state revenue received by a
42 district in the 2004-05 or 2005-06 school year from the foundation formula, line 14, gifted,
43 remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts
44 multiplied by the sum of one plus the product of one-third multiplied by the remainder of the
45 dollar value modifier minus one;

46 (b) For the 2007-08 school year, the state revenue received by a district from the state
47 aid calculation under subsections 1 and 4 of this section, as applicable, and the classroom trust
48 fund under section 163.043 shall not be less than the greater of state revenue received by a
49 district in the 2004-05 or 2005-06 school year from the foundation formula, line 14, gifted,
50 remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts
51 multiplied by the sum of one plus the product of two-thirds multiplied by the remainder of the
52 dollar value modifier minus one;

53 (c) For the 2008-09 school year, the state revenue received by a district from the state
54 aid calculation under subsections 1 and 4 of this section, as applicable, and the classroom trust
55 fund under section 163.043 shall not be less than the greater of state revenue received by a
56 district in the 2004-05 or 2005-06 school year from the foundation formula, line 14, gifted,
57 remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts
58 multiplied by the dollar value modifier;

59 (d) For each year subsequent to the 2008-09 school year, the amount shall be no less than
60 that computed in paragraph (c) of this subdivision;

61 (3) The department of elementary and secondary education shall make an addition in the
62 payment amount specified in subsection 1 of this section to assure compliance with the
63 provisions contained in this subsection.

64 3. School districts that meet the requirements of section 163.021 shall receive categorical
65 add-on revenue as provided in this subsection. The categorical add-on for the district shall be
66 the sum of: seventy-five percent of the district allowable transportation costs under section
67 163.161; the career ladder entitlement for the district, as provided for in sections 168.500 to
68 168.515, RSMo; the vocational education entitlement for the district, as provided for in section
69 167.332, RSMo; and the district educational and screening program entitlements as provided for
70 in sections 178.691 to 178.699, RSMo. The categorical add-on revenue amounts may be
71 adjusted to accommodate available appropriations.

72 4. In the 2006-07 school year and each school year thereafter for five years, those
73 districts entitled to receive state aid under the provisions of subsection 1 of this section shall
74 receive state aid in an amount as provided in this subsection.

75 (1) For the 2006-07 school year, the amount shall be fifteen percent of the amount of
76 state aid calculated for the district for the 2006-07 school year under the provisions of subsection
77 1 of this section, plus eighty-five percent of the total amount of state revenue received by the
78 district for the 2005-06 school year from the foundation formula, line 14, gifted, remedial
79 reading, exceptional pupil aid, fair share, and free textbook payments less any amounts received
80 under section 163.043.

81 (2) For the 2007-08 school year, the amount shall be thirty percent of the amount of state
82 aid calculated for the district for the 2007-08 school year under the provisions of subsection 1
83 of this section, plus seventy percent of the total amount of state revenue received by the district
84 for the 2005-06 school year from the foundation formula, line 14, gifted, remedial reading,
85 exceptional pupil aid, fair share, and free textbook payments less any amounts received under
86 section 163.043.

87 (3) For the 2008-09 school year, the amount of state aid shall be forty-four percent of the
88 amount of state aid calculated for the district for the 2008-09 school year under the provisions
89 of subsection 1 of this section plus fifty-six percent of the total amount of state revenue received
90 by the district for the 2005-06 school year from the foundation formula, line 14, gifted, remedial
91 reading, exceptional pupil aid, fair share, and free textbook payments less any amounts received
92 under section 163.043.

93 (4) For the 2009-10 school year, the amount of state aid shall be fifty-eight percent of
94 the amount of state aid calculated for the district for the 2009-10 school year under the provisions

95 of subsection 1 of this section plus forty-two percent of the total amount of state revenue
96 received by the district for the 2005-06 school year from the foundation formula, line 14, gifted,
97 remedial reading, exceptional pupil aid, fair share, and free textbook payments less any amounts
98 received under section 163.043.

99 (5) For the 2010-11 school year, the amount of state aid shall be seventy-two percent of
100 the amount of state aid calculated for the district for the 2010-11 school year under the provisions
101 of subsection 1 of this section plus twenty-eight percent of the total amount of state revenue
102 received by the district for the 2005-06 school year from the foundation formula, line 14, gifted,
103 remedial reading, exceptional pupil aid, fair share, and free textbook payments less any amounts
104 received under section 163.043.

105 (6) For the 2011-12 school year, the amount of state aid shall be eighty-six percent of
106 the amount of state aid calculated for the district for the 2011-12 school year under the provisions
107 of subsection 1 of this section plus fourteen percent of the total amount of state revenue received
108 by the district for the 2005-06 school year from the foundation formula, line 14, gifted, remedial
109 reading, exceptional pupil aid, fair share, and free textbook payments less any amounts received
110 under section 163.043.

111 (7) (a) Notwithstanding subdivision (18) of section 163.011, the state adequacy target
112 may not be adjusted downward to accommodate available appropriations in any year governed
113 by this subsection.

114 (b) a. For the 2006-07 school year, if a school district experiences a decrease in summer
115 school average daily attendance of more than twenty percent from the district's 2005-06 summer
116 school average daily attendance, an amount equal to the product of the percent reduction that is
117 in excess of twenty percent of the district's summer school average daily attendance multiplied
118 by the funds generated by the district's summer school program in the 2005-06 school year shall
119 be subtracted from the district's current year payment amount.

120 b. For the 2007-08 school year, if a school district experiences a decrease in summer
121 school average daily attendance of more than thirty percent from the district's 2005-06 summer
122 school average daily attendance, an amount equal to the product of the percent reduction that is
123 in excess of thirty percent of the district's summer school average daily attendance multiplied by
124 the funds generated by the district's summer school program in the 2005-06 school year shall be
125 subtracted from the district's payment amount.

126 c. For the 2008-09 school year [through the 2011-12 school year], if a school district
127 experiences a decrease in summer school average daily attendance of more than thirty-five
128 percent from the district's 2005-06 summer school average daily attendance, an amount equal to
129 the product of the percent reduction that is in excess of thirty-five percent of the district's
130 summer school average daily attendance multiplied by the funds generated by the district's

131 summer school program in the 2005-06 school year shall be subtracted from the district's
132 payment amount.

133 d. Notwithstanding the provisions of this paragraph, no such reduction shall be made in
134 the case of a district that is receiving a payment under section 163.044 or any district whose
135 regular school term average daily attendance for the preceding year was three hundred fifty or
136 less.

137 e. This paragraph shall not be construed to permit any reduction applied under this
138 paragraph to result in any district receiving a current-year payment that is less than the amount
139 calculated for such district under subsection 2 of this section.

140 (c) If a school district experiences a decrease in its gifted program enrollment of more
141 than twenty percent from its 2005-06 gifted program enrollment in any year governed by this
142 subsection, an amount equal to the product of the percent reduction in the district's gifted
143 program enrollment multiplied by the funds generated by the district's gifted program in the
144 2005-06 school year shall be subtracted from the district's current year payment amount.

145 5. For any school district meeting the eligibility criteria for state aid as established in
146 section 163.021, but which is considered an option district under section 163.042 and therefore
147 receives no state aid, the commissioner of education shall present a plan to the superintendent
148 of the school district for the waiver of rules and the duration of said waivers, in order to promote
149 flexibility in the operations of the district and to enhance and encourage efficiency in the delivery
150 of instructional services as provided in section 163.042.

151 6. (1) No less than seventy-five percent of the state revenue received under the
152 provisions of subsections 1, 2, and 4 of this section shall be placed in the teachers' fund, and the
153 remaining percent of such moneys shall be placed in the incidental fund. No less than
154 seventy-five percent of one-half of the funds received from the school district trust fund
155 distributed under section 163.087 shall be placed in the teachers' fund. One hundred percent of
156 revenue received under the provisions of section 163.161 shall be placed in the incidental fund.
157 One hundred percent of revenue received under the provisions of sections 168.500 to 168.515,
158 RSMo, shall be placed in the teachers' fund.

159 (2) A school district shall spend for certificated compensation and tuition expenditures
160 each year:

161 (a) An amount equal to at least seventy-five percent of the state revenue received under
162 the provisions of subsections 1, 2, and 4 of this section;

163 (b) An amount equal to at least seventy-five percent of one-half of the funds received
164 from the school district trust fund distributed under section 163.087 during the preceding school
165 year; and

166 (c) Beginning in fiscal year 2008, as much as was spent per the second preceding year's
167 weighted average daily attendance for certificated compensation and tuition expenditures the
168 previous year from revenue produced by local and county tax sources in the teachers' fund, plus
169 the amount of the incidental fund to teachers' fund transfer calculated to be local and county tax
170 sources by dividing local and county tax sources in the incidental fund by total revenue in the
171 incidental fund. In the event a district fails to comply with this provision, the amount by which
172 the district fails to spend funds as provided herein shall be deducted from the district's state
173 revenue received under the provisions of subsections 1, 2, and 4 of this section for the following
174 year, provided that the state board of education may exempt a school district from this provision
175 if the state board of education determines that circumstances warrant such exemption.

176 7. If a school district's annual audit discloses that students were inappropriately identified
177 as eligible for free and reduced lunch, special education, or limited English proficiency and the
178 district does not resolve the audit finding, the department of elementary and secondary education
179 shall require that the amount of aid paid pursuant to the weighting for free and reduced lunch,
180 special education, or limited English proficiency in the weighted average daily attendance on the
181 inappropriately identified pupils be repaid by the district in the next school year and shall
182 additionally impose a penalty of one hundred percent of such aid paid on such pupils, which
183 penalty shall also be paid within the next school year. Such amounts may be repaid by the
184 district through the withholding of the amount of state aid.

163.044. 1. Beginning with the 2007 fiscal year and each subsequent fiscal year, the
2 general assembly shall appropriate fifteen million dollars to be directed in the following manner
3 to school districts with an average daily attendance of three hundred fifty students or less in the
4 school year preceding the payment year:

5 (1) Ten million dollars shall be distributed to the eligible districts in proportion to their
6 average daily attendance; and

7 (2) Five million dollars shall be directed to the eligible districts that have an operating
8 levy for school purposes in the current year equal to or greater than the performance levy and any
9 school districts which have an operating levy for school purposes in the current year less than
10 the performance levy solely due to a modification of such district's levy required under
11 subdivision (4) of subsection 5 of section 137.073, RSMo. A tax-rate-weighted average daily
12 attendance shall be calculated for each eligible district in proportion to its operating levy for
13 school purposes for the current year divided by the performance levy with that result multiplied
14 by the district's average daily attendance in the school year preceding the payment year. The total
15 appropriation pursuant to this subdivision shall then be divided by the sum of the
16 tax-rate-weighted average daily attendance of the eligible districts, and the resulting amount per
17 tax-rate-weighted average daily attendance shall be multiplied by each eligible district's

18 tax-rate-weighted average daily attendance to determine the amount to be paid to each eligible
19 district.

20 **2. Beginning with the 2010 fiscal year and each subsequent fiscal year, the general**
21 **assembly shall appropriate an amount not to exceed ten million dollars to be directed in**
22 **the following manner to school districts with an average daily attendance of three hundred**
23 **fifty-one to and including four hundred forty-nine students in the school year preceding**
24 **the payment year, so that a school district with an average daily attendance of three**
25 **hundred fifty-one shall receive ninety-nine percent of the amount per average daily**
26 **attendance distributed under subdivision (1) of subsection 1 of this section and the**
27 **percentage factor shall decrease by one per each additional student in average daily**
28 **attendance as average daily attendance increases to and including four hundred forty-nine.**

29 **3.** The payment under this section shall not be transferred to the capital projects fund.

30 [3.] **4.** Except as provided in subsection [2] **3** of this section, districts receiving payments
31 under this section may use the moneys for, including but not limited to, the following:

32 (1) Distance learning;

33 (2) Extraordinary transportation costs;

34 (3) Rural teacher recruitment; and

35 (4) Student learning opportunities not available within the district.

163.405. School districts receiving moneys distributed from the schools first
2 **elementary and secondary education improvement fund shall:**

3 (1) **Place no less than ninety percent of such moneys to the credit of the teachers'**
4 **fund; and**

5 (2) **Expend no less than ninety percent of the moneys received from the schools first**
6 **elementary and secondary education improvement fund each fiscal year.**

167.031. 1. Every parent, guardian or other person in this state having charge, control
2 or custody of a child not enrolled in a public, private, parochial, parish school or full-time
3 equivalent attendance in a combination of such schools and between the ages of seven years and
4 the compulsory attendance age for the district is responsible for enrolling the child in a program
5 of academic instruction which complies with subsection 2 of this section. Any parent, guardian
6 or other person who enrolls a child between the ages of five and seven years in a public school
7 program of academic instruction shall cause such child to attend the academic program on a
8 regular basis, according to this section. Nonattendance by such child shall cause such parent,
9 guardian or other responsible person to be in violation of the provisions of section 167.061,
10 except as provided by this section. A parent, guardian or other person in this state having charge,
11 control, or custody of a child between the ages of seven years of age and the compulsory
12 attendance age for the district shall cause the child to attend regularly some public, private,

13 parochial, parish, home school or a combination of such schools not less than the entire school
14 term of the school which the child attends; except that:

15 (1) A child who, to the satisfaction of the superintendent of public schools of the district
16 in which he resides, or if there is no superintendent then the chief school officer, is determined
17 to be mentally or physically incapacitated may be excused from attendance at school for the full
18 time required, or any part thereof;

19 (2) A child between fourteen years of age and the compulsory attendance age for the
20 district may be excused from attendance at school for the full time required, or any part thereof,
21 by the superintendent of public schools of the district, or if there is none then by a court of
22 competent jurisdiction, when legal employment has been obtained by the child and found to be
23 desirable, and after the parents or guardian of the child have been advised of the pending action;
24 or

25 (3) A child between five and seven years of age shall be excused from attendance at
26 school if a parent, guardian or other person having charge, control or custody of the child makes
27 a written request that the child be dropped from the school's rolls.

28 2. (1) As used in sections 167.031 to 167.071, a "home school" is a school, whether
29 incorporated or unincorporated, that:

30 (a) Has as its primary purpose the provision of private or religious-based instruction;

31 (b) Enrolls pupils between the ages of seven years and the compulsory attendance age
32 for the district, of which no more than four are unrelated by affinity or consanguinity in the third
33 degree; and

34 (c) Does not charge or receive consideration in the form of tuition, fees, or other
35 remuneration in a genuine and fair exchange for provision of instruction.

36 (2) As evidence that a child is receiving regular instruction, the parent shall, except as
37 otherwise provided in this subsection:

38 (a) Maintain the following records:

39 a. A plan book, diary, or other written record indicating subjects taught and activities
40 engaged in; and

41 b. A portfolio of samples of the child's academic work; and

42 c. A record of evaluations of the child's academic progress; or

43 d. Other written, or credible evidence equivalent to subparagraphs a., b. and c.; and

44 (b) Offer at least one thousand hours of instruction, at least six hundred hours of which
45 will be in reading, language arts, mathematics, social studies and science or academic courses
46 that are related to the aforementioned subject areas and consonant with the pupil's age and
47 ability. At least four hundred of the six hundred hours shall occur at the regular home school
48 location.

49 (3) The requirements of subdivision (2) of this subsection shall not apply to any pupil
50 above the age of sixteen years.

51 3. Nothing in this section shall require a private, parochial, parish or home school to
52 include in its curriculum any concept, topic, or practice in conflict with the school's religious
53 doctrines or to exclude from its curriculum any concept, topic, or practice consistent with the
54 school's religious doctrines. Any other provision of the law to the contrary notwithstanding, all
55 departments or agencies of the state of Missouri shall be prohibited from dictating through rule,
56 regulation or other device any statewide curriculum for private, parochial, parish or home
57 schools.

58 4. A school year begins on the first day of July and ends on the thirtieth day of June
59 following.

60 5. The production by a parent of a daily log showing that a home school has a course of
61 instruction which satisfies the requirements of this section or, in the case of a pupil over the age
62 of sixteen years who attended a metropolitan school district the previous year, a written
63 statement that the pupil is attending home school in compliance with this section shall be a
64 defense to any prosecution under this section and to any charge or action for educational neglect
65 brought pursuant to chapter 210, RSMo.

66 6. As used in sections 167.031 to 167.051, the term "compulsory attendance age for the
67 district" shall mean:

68 (1) Seventeen years of age for any metropolitan school district for which the school
69 board adopts a resolution to establish such compulsory attendance age; provided that such
70 resolution shall take effect no earlier than the school year next following the school year during
71 which the resolution is adopted; and

72 (2) [Sixteen years of age] **Having successfully completed sixteen credits towards high**
73 **school graduation** in all other cases. The school board of a metropolitan school district for
74 which the compulsory attendance age is seventeen years may adopt a resolution to lower the
75 compulsory attendance age to sixteen years; provided that such resolution shall take effect no
76 earlier than the school year next following the school year during which the resolution is
77 adopted.

**167.710. Any student who fails a core curriculum class for two or more quarters
2 in the student's eighth-grade year shall be required to successfully complete a one hundred
3 twenty-hour summer school course in that subject or repeat the eighth grade.**

313.778. There is hereby created in the state treasury the "Schools First Elementary and
2 Secondary Education Improvement Fund", which shall consist of taxes on excursion gambling
3 boat proceeds as provided in subsection 2 of section 160.534, RSMo, to be used solely for the
4 purpose of increasing funding for elementary and secondary education. **The money in the fund**

5 shall be distributed by the state board of education on an average daily attendance basis
6 to each school district in this state qualified to receive state aid under section 163.021,
7 RSMo, after the first ten million dollars of such fund is appropriated for subsection 2 of
8 section 163.044, RSMo. The schools first elementary and secondary education improvement
9 fund shall be state revenues collected from gaming activities for purposes of article III, section
10 39(d) of the constitution. Moneys in the schools first elementary and secondary education
11 improvement fund shall be kept separate from the general revenue fund as well as any other
12 funds or accounts in the state treasury. The state treasurer shall be custodian of the fund and may
13 approve disbursements from the fund in accordance with sections 30.170 and 30.180, RSMo.
14 Notwithstanding the provisions of section 33.080, RSMo, to the contrary, any moneys remaining
15 in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.
16 The state treasurer shall invest moneys in the fund in the same manner as other funds are
17 invested. Any interest and moneys earned on such investments shall be credited to the fund.

Section B. Because of the need to ensure adequate funding for our public schools, the
2 repeal and reenactment of sections 163.011, 163.031, 163.044, and 313.778, and the enactment
3 of section 163.405 of section A of this act are deemed necessary for the immediate preservation
4 of the public health, welfare, peace and safety, and is hereby declared to be an emergency act
5 within the meaning of the constitution, and the repeal and reenactment of sections 163.011,
6 163.031, 163.044, and 313.778, and the enactment of section 163.405 of section A of this act
7 shall be in full force and effect on July 1, 2009, or upon its passage and approval, whichever
8 occurs later.

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