AN ACT

To repeal sections 151.150, 163.011, 163.031, 166.131, 167.020, 167.131, and 167.151, RSMo, and to enact in lieu thereof twelve new sections relating to elementary and secondary education, with a delayed effective date.

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

Section A. Sections 151.150, 163.011, 163.031, 166.131, 167.020, 167.131, and 167.151, RSMo, are repealed and twelve new sections enacted in lieu thereof, to be known as sections 151.150, 163.011, 163.031, 166.131, 167.020, 167.131, 167.151, 167.1200, 167.1205, 167.1210, 167.1215, and 167.1220, to read as follows:

151.150. 1. For the purpose of levying school taxes, including taxes for school purposes, as defined in section 163.011 for capital projects purposes, as authorized under section 165.011, "and for other purposes", as defined in section 151.160, in the several counties of this state, on the distributable property of the railroad company, the several county commissions shall ascertain from the returns in the office of the county clerk the average rate of taxation levied for school purposes for capital projects purposes, and for other purposes, each separately by the several local school boards or authorities of the several school districts throughout the county.

2. The average rate for school purposes shall be ascertained by adding together the local rates of the several school districts in the county and by dividing the sum thus obtained by the whole number of districts levying a tax for school purposes. The county clerk shall cause to be charged to the railroad companies taxes for school purposes at the average rate on the proportionate value of the railroad property so certified to the county commission by the state tax commission, under the provisions of this chapter, and shall apportion the taxes for school purposes, so levied and collected, among all the school districts in his or her county, the same

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.
proportion that the September membership of a district, determined as provided in paragraph (a) of subdivision (13) of section 163.011, bears to the sum of the September membership of all districts in the county.

3. The average rate levied for capital projects purposes, and for other purposes, each separately, shall be ascertained by adding together the local rates of the several districts in the county levying a tax for capital projects purposes, or for other purposes and by dividing the sum thus obtained in each case by the whole number of districts in the county. The county clerk shall cause to be charged to the railroad companies taxes for capital projects purposes, or for other purposes, at the average rate on the proportionate value of the railroad distributable property so certified to the county commission by the state tax commission, under the provisions of this chapter, and the county commission shall apportion the taxes for capital projects purposes, or for other purposes so levied and collected, among the several school districts levying the taxes, in proportion to the amount of such taxes so levied in each of the districts.

4. All local property owned or controlled by a railroad company lying in any school district shall be taxed at the same rate as other property in the district, and the school taxes, including taxes for capital projects purposes, and for other purposes thereon, shall go to the district in which such property is situated.

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

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

2. "Average daily attendance", the quotient or the sum of the quotients obtained by dividing the sum of the total number of hours attended in a term by resident pupils between the ages of five and twenty-one, and the total number of hours, except for physical education hours that do not count as credit toward graduation for students in grades nine, ten, eleven, and twelve, attended by all summer school pupils, by the actual number of hours school was in session in that term. [To the average daily attendance of the following school term shall be added the full-time equivalent average daily attendance of summer school students, "full-time equivalent average daily attendance of summer school students" shall be computed by dividing the total number of hours, except for physical education hours that do not count as credit toward graduation for students in grades nine, ten, eleven, and twelve, attended by all summer school pupils [by the number of hours required in section 160.011 in the school term] shall not exceed ten percent of the attendance hours used to calculate regular term average daily attendance. For purposes of determining average daily attendance under this subdivision, the term "resident pupil" shall include all children between the ages of five and twenty-one who are residents of the school district and who are attending kindergarten through grade twelve in
such district. If a child is attending school in a district other than the district of residence and the child’s parent is teaching in the school district or is a regular employee of the school district which the child is attending, then such child shall be considered a resident pupil of the school district which the child is attending for such period of time when the district of residence is not otherwise liable for tuition. Average daily attendance for students below the age of five years for which a school district may receive state aid based on such attendance shall be computed as regular school term attendance unless otherwise provided by law;

(3) "Current operating expenditures":

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

(b) In every fiscal year subsequent to fiscal year 2007 through fiscal year 2020, current operating expenditures shall be the amount in paragraph (a) of this subdivision plus any increases in state funding pursuant to sections 163.031 and 163.043 subsequent to fiscal year 2005, not to exceed five percent, per recalculation, of the state revenue received by a district in the 2004-05 school year from the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid, fair share, and free textbook payments for any district from the first preceding calculation of the state adequacy target;

(c) In fiscal year 2021 and all subsequent fiscal years, "current operating expenditures" shall be the amount calculated in paragraph (a) of this subdivision but shall be calculated in fiscal year 2021 and recalculated every four years thereafter using the average of any relevant data point described in paragraph (a) of this subdivision over the four-year period beginning in the fiscal year fifteen years prior and ending in the fiscal year twelve years prior; except that, the calculation shall change in fiscal year 2023 and every four years thereafter by increasing the amount to account for increases in state funding under sections 163.031 and 163.043 subsequent to fiscal year 2021 or the last fiscal year in which a change to the amount was required under this subdivision. Any increase to account for increases in state funding shall not exceed five percent of the amount calculated for fiscal year 2021 or the last fiscal year in which a change to the amount was required under this subdivision;
(4) "District’s tax rate ceiling", the highest tax rate ceiling in effect subsequent to the 1980 tax year or any subsequent year. Such tax rate ceiling shall not contain any tax levy for debt service;

(5) "Dollar-value modifier", an index of the relative purchasing power of a dollar, calculated as one plus fifteen percent of the difference of the regional wage ratio minus one, provided that the dollar value modifier shall not be applied at a rate less than 1.0. As used in this subdivision, the following terms mean:

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

(b) "Regional wage per job":

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

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

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

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

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

(6) "Free and reduced price lunch pupil count", for school districts not eligible for and those that do not choose the USDA Community Eligibility Option, the number of pupils eligible for free and reduced price lunch on the last Wednesday in January for the preceding school year who were enrolled as students of the district, as approved by the department in accordance with
applicable federal regulations. For eligible school districts that choose the USDA Community
Eligibility Option, the free and reduced price lunch pupil count shall be the percentage of free
and reduced price lunch students calculated as eligible on the last Wednesday in January of the
most recent school year that included household applications to determine free and reduced price
lunch count multiplied by the district’s average daily attendance figure;

(7) "Free and reduced price lunch threshold" shall be calculated by dividing the total free
and reduced price lunch pupil count of every performance district that falls entirely above the
bottom five percent and entirely below the top five percent of average daily attendance, when
such districts are rank-ordered based on their current operating expenditures per average daily
attendance, by the total regular term average daily attendance of all included performance
districts;

(8) "Free and reduced price lunch threshold for the district", the free and reduced
price lunch threshold multiplied by the district's regular term average daily attendance;

(9) "Limited English proficiency pupil count", the number in the preceding school year
of pupils aged three through twenty-one enrolled or preparing to enroll in an elementary school
or secondary school who were not born in the United States or whose native language is a
language other than English or are Native American or Alaskan native, or a native resident of
the outlying areas, and come from an environment where a language other than English has had
a significant impact on such individuals’ level of English language proficiency, or are migratory,
whose native language is a language other than English, and who come from an environment
where a language other than English is dominant; and have difficulties in speaking, reading,
writing, or understanding the English language sufficient to deny such individuals the ability to
meet the state’s proficient level of achievement on state assessments described in Public Law
107-110 or successor legislation, the ability to achieve successfully in classrooms
where the language of instruction is English, or the opportunity to participate fully in society;

(10) "Limited English proficiency threshold", the limited
English proficiency pupil count of every performance district that falls entirely
above the bottom five percent and entirely below the top five percent of average daily attendance,
when such districts are rank-ordered based on their current operating expenditures per average
daily attendance, by the total regular term average daily attendance of all included performance
districts;

(11) "Limited English proficiency threshold for the district", the limited
English proficiency threshold multiplied by the district's regular term average daily
attendance;

(12) "Local effort":
(a) For the fiscal year [2007] 2021 calculation, "local effort" shall be computed as the average equalized assessed valuation of the property of a school district over the four-year period beginning in the calendar year [2004] fifteen years prior and ending in the calendar year twelve years prior divided by one hundred and multiplied by the performance levy less the percentage retained by the county assessor and collector plus one hundred percent of the average yearly amount received over the four-year period beginning in the fiscal year [2005] fifteen years prior and ending in the fiscal year twelve years prior for school purposes from intangible taxes, fines, escheats, payments in lieu of taxes and receipts from state-assessed railroad and utility tax, one hundred percent of the amounts received for school purposes from federal properties under sections 12.070 and 12.080 except when such amounts are used in the calculation of federal impact aid pursuant to P.L. 81-874, fifty percent of Proposition C revenues received for school purposes from the school district trust fund under section 163.087, and one hundred percent of any local earnings or income taxes received by the district for school purposes. Under this paragraph, for a special district established under sections 162.815 to 162.940 in a county with a charter form of government and with more than one million inhabitants, a tax levy of zero shall be utilized in lieu of the performance levy for the special school district;

(b) In every year subsequent to fiscal year [2007] 2021, "local effort" shall be the amount calculated under paragraph (a) of this subdivision plus any increase in the amount received for school purposes from fines; except that, any recalculation of the local effort figure subsequent to fiscal year 2021, other than for increases for fines, shall occur only in fiscal year 2025 and every four years thereafter. If a district’s assessed valuation has decreased subsequent to the calculation outlined in paragraph (a) of this subdivision or subsequent to any change in the calculation under this paragraph, the district’s local effort shall be calculated using the district’s current assessed valuation in lieu of the assessed valuation utilized in the calculation outlined in paragraph (a) of this subdivision that would have been used under this subdivision. When a change in a school district’s boundary lines occurs because of a boundary line change, annexation, attachment, consolidation, reorganization, or dissolution under section 162.071, 162.081, sections 162.171 to 162.201, section 162.221, 162.223, 162.431, 162.441, or 162.451, or in the event that a school district assumes any territory from a district that ceases to exist for any reason, the department of elementary and secondary education shall make a proper adjustment to each affected district’s local effort, so that each district’s local effort figure conforms to the new boundary lines of the district. The department shall compute the local effort figure by applying the [calendar year 2004] assessed valuation data from the average of the appropriate four-year period used in this subdivision to the new land areas resulting from the
boundary line change, annexation, attachment, consolidation, reorganization, or dissolution and
otherwise follow the procedures described in this subdivision;

"Membership" shall be the average of:

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

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

"Operating levy for school purposes", the sum of tax rates levied for
teachers’ and incidental funds plus the operating levy or sales tax equivalent pursuant to section
162.1100 of any transitional school district containing the school district, in the payment year,
not including any equalized operating levy for school purposes levied by a special school district
in which the district is located;

"Performance district", any district that:

(a) Has met performance standards and indicators as established by the department of
elementary and secondary education for purposes of accreditation under section 161.092 and as
reported on the final annual performance report for that district each year; [for calculations to be
utilized for payments in fiscal years subsequent to fiscal year 2018, the number of performance
districts shall not exceed twenty-five percent of all public school districts] and

(b) Has received a score of at least ninety percent on its annual performance report
for each of the immediately preceding four school years;

"Performance levy", [three dollars and forty-three cents] the quotient of the
sum of the products of each performance district's average operating levy for school
purposes over the four-year period beginning in the fiscal year fifteen years prior and
ending in the fiscal year twelve years prior multiplied by such district's current average
daily attendance divided by the total current average daily attendance of all included
performance districts; except that:
(a) A performance district shall be included in the calculation in this subdivision only if its operating levy for school purposes was more than two dollars and seventy-five cents in any fiscal year over the four-year period beginning in the fiscal year fifteen years prior and ending in the fiscal year twelve years prior; and

(b) Any recalculation of the performance levy figure under this subdivision shall occur only every four years;

[15] (17) "Regular term average daily attendance", the quotient or the sum of the quotients obtained by dividing the total number of hours attended in a term by resident pupils between the ages of five and twenty-one by the actual number of hours school was in session in that term. For purposes of determining regular term average daily attendance under this subdivision, the term "resident pupil" shall have the same meaning given to the term under subdivision (2) of this section;

[16] (18) "School purposes" pertains to teachers' and incidental funds;

[17] (19) "Special education pupil count", the number of public school students with a current individualized education program or services plan and receiving services from the resident district as of December first of the preceding school year, except for special education services provided through a school district established under sections 162.815 to 162.940 in a county with a charter form of government and with more than one million inhabitants, in which case the sum of the students in each district within the county exceeding the special education threshold of each respective district within the county shall be counted within the special district and not in the district of residence for purposes of distributing the state aid derived from the special education pupil count;

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

[19] (21) "Special education threshold for the district", the special education threshold multiplied by the district's regular term average daily attendance;

(22) "State adequacy target", the sum of the current operating expenditures of every performance district that falls entirely above the bottom five percent and entirely below the top five percent of average daily attendance, when such districts are rank-ordered based on their current operating expenditures per average daily attendance, divided by the total average daily attendance of all included performance districts. The department of elementary and secondary education shall first calculate the state adequacy target for fiscal year 2007 and recalculate the state adequacy target every two years using the most current available data. The recalculation
shall never result in a decrease from the state adequacy target as calculated for fiscal years 2017
and 2018 and any state adequacy target figure calculated subsequent to fiscal year 2018. Should
a recalculation result in an increase in the state adequacy target amount, fifty percent of that
increase shall be included in the state adequacy target amount in the year of recalculation, and
fifty percent of that increase shall be included in the state adequacy target amount in the
subsequent year. The state adequacy target may be adjusted to accommodate available
appropriations as provided in subsection 7 of section 163.031;

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

[(20) (24)] "Weighted average daily attendance", the average daily attendance plus the
product of twenty-five hundredths multiplied by the free and reduced price lunch pupil count that
exceeds the free and reduced price lunch threshold for the district, plus the product of
seventy-five hundredths multiplied by the number of special education pupil count that exceeds
the special education threshold for the district, plus the product of six-tenths multiplied by the
number of limited English proficiency pupil count that exceeds the limited English proficiency
threshold for the district. For special districts established under sections 162.815 to 162.940
in a county with a charter form of government and with more than one million inhabitants,
weighted average daily attendance shall be the average daily attendance plus the product of
twenty-five hundredths multiplied by the free and reduced price lunch pupil count that exceeds
the free and reduced price lunch threshold for the district, plus the product of seventy-five
hundredths multiplied by the sum of the special education pupil count that exceeds the threshold
for each county district, plus the product of six-tenths multiplied by the limited English
proficiency pupil count that exceeds the limited English proficiency threshold for the district.
None of the districts comprising a special district established under sections 162.815 to 162.940
in a county with a charter form of government and with more than one million inhabitants[.] shall
use 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
distribute to each school district qualified to receive state aid under section 163.021 an amount
determined by multiplying the district's weighted average daily attendance by the state adequacy
target, multiplying this product by the dollar value modifier for the district, and subtracting from
this product the district's local effort and subtracting payments from the classroom trust fund
under section 163.043.

2. Other provisions of law to the contrary notwithstanding:
(1) For districts with an average daily attendance of more than three hundred fifty in the school year preceding the payment year:

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

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

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

(a) For the 2008-09 school year, the state revenue per weighted average daily attendance received by a district from the state aid calculation under subsections 1 and 4 of this section, as applicable, and the classroom trust fund under section 163.043 shall not be less than the greater of state revenue received by a district in the 2004-05 or 2005-06 school year from the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid, fair share, and free textbook payment amounts multiplied by the dollar value modifier, the state aid calculation under subsections 1 and 2 of section 163.031 as such section existed on July 1, 2017, and the classroom trust fund under section 163.043, and dividing this number by the weighted average daily attendance computed for the 2017-18 school year;

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

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

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

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

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

(2) A school district shall spend for certificated compensation and tuition expenditures each year:
   
   (a) An amount equal to at least seventy-five percent of the state revenue received under the provisions of subsections 1 and 2 of this section;
   
   (b) An amount equal to at least seventy-five percent of one-half of the funds received from the school district trust fund distributed under section 163.087 during the preceding school year; and
   
   (c) Beginning in fiscal year 2008, as much as was spent per the second preceding year's weighted average daily attendance for certificated compensation and tuition expenditures the previous year from revenue produced by local and county tax sources in the teachers' fund, plus the amount of the incidental fund to teachers' fund transfer calculated to be local and county tax sources by dividing local and county tax sources in the incidental fund by total revenue in the incidental fund.

In the event a district fails to comply with this provision, the amount by which the district fails to spend funds as provided herein shall be deducted from the district's state revenue received under the provisions of subsections 1 and 2 of this section for the following year, provided that
the state board of education may exempt a school district from this provision if the state board of education determines that circumstances warrant such exemption.

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

(2) In the 2017-18 school year and in each subsequent school year, if a district experiences a decrease in its gifted program enrollment of twenty percent or more from the previous school year, an amount equal to the product of the difference between the number of students enrolled in the gifted program in the current school year and the number of students enrolled in the gifted program in the previous school year multiplied by six hundred eighty dollars shall be subtracted from the district's current year payment amount. The provisions of this subdivision shall apply to districts entitled to receive state aid payments under both subsections 1 and 2 of this section but shall not apply to any school district with an average daily attendance of three hundred fifty or less.

7. Notwithstanding any provision of law to the contrary, in any fiscal year during which the total formula appropriation is insufficient to fully fund the entitlement calculation of this section, the department of elementary and secondary education shall adjust the state adequacy target in order to accommodate the appropriation level for the given fiscal year. In no manner shall any payment modification be rendered for any district qualified to receive payments under subsection 2 of this section based on insufficient appropriations.

166.131. The county commission in each county shall administer the county school fund of the county. In each county wherein the annual distribution of the liquidated capital of the county school fund has not been ordered by the voters pursuant to sections 166.151 to 166.161, the proceeds of the fund shall be invested by the county commission in registered bonds of the United States, or in bonds of the state or in approved bonds of any city or school district thereof, or in bonds or other securities the payment of which is fully guaranteed by the United States government and shall be preserved as a county school fund. Annually, on or before September thirtieth, in each county of the state all interest accruing from the investment of the capital of the county school fund, if any, the clear proceeds of all penalties and fines collected for any breach of the penal laws of the state, the net proceeds from the sale of estrays, and all other money
lawfully coming into the fund, shall be collected and distributed to the school districts of the county by the county clerk in the same proportion that the September membership of a school district, determined as provided in \((\text{paragraph (a) of subdivision (8) (13)})\) of section 163.011 bears to the sum of the September membership of all the districts in the county. He or she shall immediately after making the apportionments enter them in a book to be kept for that purpose, and shall furnish each district clerk a copy of the apportionment. The county treasurer shall pay over to the treasurer of the school board of every district in the county the amount due each respective district. The clear proceeds of all forfeitures collected for any breach of the penal laws of the state distributed for education shall be transferred to the school building revolving fund.

167.020. 1. As used in this section, the term "homeless child" or "homeless youth" shall mean a person less than twenty-one years of age who lacks a fixed, regular and adequate nighttime residence, including a child or youth who:

   (1) Is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; is living in motels, hotels, or camping grounds due to lack of alternative adequate accommodations; is living in emergency or transitional shelters; is abandoned in hospitals; or is awaiting foster care placement;

   (2) Has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings;

   (3) Is living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

   (4) Is a migratory child or youth who qualifies as homeless because the child or youth is living in circumstances described in subdivisions (1) to (3) of this subsection.

2. In order to register a pupil, the parent or legal guardian of the pupil or the pupil himself or herself shall provide, at the time of registration, one of the following:

   (1) Proof of residency in the district. Except as otherwise provided in section 167.151, the term "residency" shall mean that a person both physically resides within a school district and is domiciled within that district or, in the case of a private school student suspected of having a disability under the Individuals With Disabilities Education Act, 20 U.S.C. Section 1412, et seq., that the student attends private school within that district. The domicile of a minor child shall be the domicile of a parent, military guardian pursuant to a military-issued guardianship or court-appointed legal guardian. For instances in which the family of a student living in Missouri co-locates to live with other family members or live in a military family support community because one or both of the child's parents are stationed or deployed out of state or deployed within Missouri under [Title 32 or Title 10] active duty orders under Title 10 or Title 32 of the United States Code, the student may attend the school district in which the family member's
27 residence or family support community is located. If the active duty orders expire during the
28 school year, the student may finish the school year in that district; or
29 (2) Proof that the person registering the student has requested a waiver under subsection
30 3 of this section within the last forty-five days.
31
32 In instances where there is reason to suspect that admission of the pupil will create an immediate
33 danger to the safety of other pupils and employees of the district, the superintendent or the
34 superintendent's designee may convene a hearing within five working days of the request to
35 register and determine whether or not the pupil may register.
36 3. Any person subject to the requirements of subsection 2 of this section may request a
37 waiver from the district board of any of those requirements on the basis of hardship or good
38 cause. Under no circumstances shall athletic ability be a valid basis of hardship or good cause
39 for the issuance of a waiver of the requirements of subsection 2 of this section. The district
40 board or committee of the board appointed by the president and which shall have full authority
41 to act in lieu of the board shall convene a hearing as soon as possible, but no later than forty-five
42 days after receipt of the waiver request made under this subsection or the waiver request shall
43 be granted. The district board or committee of the board may grant the request for a waiver of
44 any requirement of subsection 2 of this section. The district board or committee of the board
45 may also reject the request for a waiver in which case the pupil shall not be allowed to register.
46 Any person aggrieved by a decision of a district board or committee of the board on a request
47 for a waiver under this subsection may appeal such decision to the circuit court in the county
48 where the school district is located.
49 4. Any person who knowingly submits false information to satisfy any requirement of
50 subsection 2 of this section is guilty of a class A misdemeanor.
51 5. In addition to any other penalties authorized by law, a district board may file a civil
52 action to recover, from the parent, military guardian or legal guardian of the pupil, the costs of
53 school attendance for any pupil who was enrolled at a school in the district and whose parent,
54 military guardian or legal guardian filed false information to satisfy any requirement of
55 subsection 2 of this section.
56 6. Subsection 2 of this section shall not apply to a pupil who is a homeless child or
57 youth, or a pupil attending a school not in the pupil's district of residence as a participant in an
58 interdistrict transfer program established under a court-ordered desegregation program, a pupil
59 who is a ward of the state and has been placed in a residential care facility by state officials, a
60 pupil who has been placed in a residential care facility due to a mental illness or developmental
61 disability, a pupil attending a school pursuant to sections 167.121 and 167.151 and sections
62 167.1200 to 167.1220, a pupil placed in a residential facility by a juvenile court, a pupil with a
disability identified under state eligibility criteria if the student is in the district for reasons other than accessing the district's educational program, or a pupil attending a regional or cooperative alternative education program or an alternative education program on a contractual basis.

7. Within two business days of enrolling a pupil, the school official enrolling a pupil, including any special education pupil, shall request those records required by district policy for student transfer and those discipline records required by subsection 9 of section 160.261 from all schools previously attended by the pupil within the last twelve months. Any school district that receives a request for such records from another school district enrolling a pupil that had previously attended a school in such district shall respond to such request within five business days of receiving the request. School districts may report or disclose education records to law enforcement and juvenile justice authorities if the disclosure concerns law enforcement's or juvenile justice authorities' ability to effectively serve, prior to adjudication, the student whose records are released. The officials and authorities to whom such information is disclosed must comply with applicable restrictions set forth in 20 U.S.C. Section 1232g(b)(1)(E).

167.131. 1. The board of education of each district in this state that does not maintain an accredited school pursuant to the authority of the state board of education to classify schools as established in section 161.092 shall pay the tuition of and provide transportation consistent with the provisions of section 167.241 for each pupil resident therein who attends an accredited school in another district of the same or an adjoining county or who attends an approved charter school in the same or an adjoining county.

2. The rate of tuition to be charged by the district attended and paid by the sending district is the [per pupil cost of maintaining the district's grade level grouping which includes the school attended] lesser of the two districts' current expenditure per pupil for the most recently completed year for which data are available. The rate of tuition to be charged by the approved charter school attended and paid by the sending district is the [per pupil cost of maintaining the approved charter school's grade level grouping]. For a district, the cost of maintaining a grade level grouping shall be determined by the board of education of the district but in no case shall it exceed all amounts spent for teachers' wages, incidental purposes, debt service, maintenance and replacements. For an approved charter school, the cost of maintaining a grade level grouping shall be determined by the approved charter school but in no case shall it exceed all amounts spent by the district in which the approved charter school is located for teachers' wages, incidental purposes, debt service, maintenance, and replacements. The term "debt service", as used in this section, means expenditures for the retirement of bonded indebtedness and expenditures for interest on bonded indebtedness. Per pupil cost of the grade level grouping shall be determined by dividing the cost of maintaining the grade level grouping by the average daily pupil attendance] current expenditure per pupil for the sending district.
or the district in which the approved charter school is located, whichever is less, based on
the most recently completed year for which data are available. If there is disagreement as
to the amount of tuition to be paid, the facts shall be submitted to the state board of education,
and its decision in the matter shall be final. Subject to the limitations of this section, each pupil
shall be free to attend the public school of his or her choice.

3. For purposes of this section, "approved charter school" means a charter school that
has existed for less than three years or a charter school with a three-year average score of seventy
percent or higher on its annual performance report.

167.151. 1. The school board of any district, in its discretion, may admit to the school
pupils not entitled to free instruction and prescribe the tuition fee to be paid by them, except as
provided in sections 167.121 and 167.131 and sections 167.1200 to 167.1220.

2. Orphan children, children with only one parent living, and children whose parents do
not contribute to their support—if the children are between the ages of six and twenty years and
are unable to pay tuition—may attend the schools of any district in the state in which they have
a permanent or temporary home without paying a tuition fee.

3. Any person who pays a school tax in any other district than that in which he or she
resides may send his or her children to any public school in the district in which the tax is paid
and receive as a credit on the amount charged for tuition the amount of the school tax paid to the
district; except that any person who owns real estate of which eighty acres or more are used for
agricultural purposes and upon which his or her residence is situated may send his or her
children to public school in any school district in which a part of such real estate, contiguous to
that upon which his or her residence is situated, lies and shall not be charged tuition therefor;
so long as thirty-five percent of the real estate is located in the school district of choice. The
school district of choice shall count the children in its average daily attendance for the purpose
of distribution of state aid through the foundation formula.

4. Any owner of agricultural land who, pursuant to subsection 3 of this section, has the
option of sending his or her children to the public schools of more than one district shall
exercise such option as provided in this subsection. Such person shall send written notice to all
school districts involved specifying to which school district his or her children will attend by
June thirtieth in which such a school year begins. If notification is not received, such children
shall attend the school in which the majority of his or her property lies. Such person shall not
send any of his or her children to the public schools of any district other than the one to which
he or she has sent notice pursuant to this subsection in that school year or in which the majority
of his or her property lies without paying tuition to such school district.

5. If a pupil is attending school in a district other than the district of residence and the
pupil's parent is teaching in the school district or is a regular employee of the school district
which the pupil is attending, then the district in which the pupil attends school shall allow the pupil to attend school upon payment of tuition in the same manner in which the district allows other pupils not entitled to free instruction to attend school in the district. The provisions of this subsection shall apply only to pupils attending school in a district which has an enrollment in excess of thirteen thousand pupils and not in excess of fifteen thousand pupils and which district is located in a county of the first classification with a charter form of government which has a population in excess of six hundred thousand persons and not in excess of nine hundred thousand persons.

167.1200. For purposes of sections 167.1200 to 167.1220, the following terms mean:

(1) "Nonresident district", a school district other than a student's resident district;

(2) "Parent", a student's parent, guardian, or other person having custody or care of the student;

(3) "Resident district", the school district in which the student resides.

167.1205. 1. Subject to the provisions of sections 167.1200 to 167.1220, any student in kindergarten or any grade not higher than the twelfth grade may transfer to a public school in a nonresident district if the student is enrolled in and has attended, for one year immediately prior to enrolling in the nonresident district, a public school in the student's resident district.

2. Sections 167.1200 to 167.1220 do not require a school district to add teachers, staff, or classrooms, or in any way to exceed the requirements and standards established by existing law.

3. A school district receiving transfer students under sections 167.1200 to 167.1220 shall not discriminate on the basis of gender, national origin, race, ethnicity, religion, or disability.

4. A nonresident district shall:

(1) Accept credits toward graduation that were awarded by another district to a student transferring under sections 167.1200 to 167.1220; and

(2) Award a diploma to a student transferring under sections 167.1200 to 167.1220 if the student meets the nonresident district's graduation requirements.

167.1210. 1. A student who transfers to a nonresident district under sections 167.1200 to 167.1220 may complete all remaining school years in the nonresident district as long as the student's parent pays any tuition fee required under this section each school year.

2. A student who transfers to a nonresident district under sections 167.1200 to 167.1220 or the student's parent is responsible for the transportation of the student to and
from the school in the nonresident district where the student is enrolled. The nonresident district has no obligation to provide transportation to the student.

3. Notwithstanding the provisions of chapter 163 to the contrary, for the purposes of determining state aid, a student who transfers to a nonresident district under sections 167.1200 to 167.1220 shall be counted as a resident pupil of the nonresident district in which he or she is enrolled.

4. (1) If the current expenditure per pupil of the nonresident district attended by a student transferring under sections 167.1200 to 167.1220 is higher than the current expenditure per pupil of the student's resident district, the parent of the student shall pay the nonresident district a tuition rate equal to the difference in such amounts for each school year the student attends school in the nonresident district.

   (2) If the current expenditure per pupil of the nonresident district attended by a student transferring under sections 167.1200 to 167.1220 is lower than the current expenditure per pupil of the student's resident district, the parent of the student shall not owe the nonresident district any tuition.

   (3) The nonresident district shall update the calculation under this subsection before August first each year based on data from the preceding school year and notify the parents of affected students of any tuition amount owed for the upcoming school term. The nonresident district may require the tuition amount to be paid before any date during the school term that it chooses.

   (4) Notwithstanding the provisions of subdivisions (1) to (3) of this subsection, if a student attends a school in a nonresident district under sections 167.1200 to 167.1220 for less than a full school term, the parent of the student shall pay the nonresident district a tuition rate equal to the current expenditure per pupil of the nonresident district; except that, the tuition rate shall be prorated so that the parent is charged for only the portion of the year the student attended school in the nonresident district.

   (5) If the parent of a student who attends a school in a nonresident district under sections 167.1200 to 167.1220 moves into the boundaries of another district, the student shall be allowed to attend school in his or her new resident district and leave the school in the nonresident district during the school term without the student's parent being charged the tuition amount required in subdivision (4) of this subsection for students who attend less than a full school term.

5. If a student wishes to attend a school within a nonresident district that is a magnet school, an academically selective school, or a school with a competitive entrance process that has admissions requirements, the student shall furnish proof that he or she meets the admissions requirements in the application described under section 167.1215.
6. A nonresident district may deny a transfer to a student who in the most recent school year has been suspended from school two or more times or who has been suspended for an act of school violence under subsection 2 of section 160.261. A student whose transfer is initially precluded under this subsection may be permitted to transfer on a provisional basis as a probationary transfer student, subject to no further disruptive behavior, upon a statement from the student's current school that the student is not disruptive. A student who is denied a transfer under this subsection has the right to an in-person meeting with the nonresident district's superintendent or his or her designee. The nonresident district shall develop common standards for determining disruptive behavior that shall include, but not be limited to, criteria under section 160.261.

7. Students shall not enroll in a nonresident district under sections 167.1200 to 167.1220 in any school year before school year 2021-22.

167.1215. 1. Before February first annually, each school district shall set the number of transfer students the district is willing to receive for the following school year under sections 167.1200 to 167.1220. Nothing in sections 167.1200 to 167.1220 requires a district to set this number above zero.

2. Each school district shall publish the number set under this section and shall not be required to accept any transfer students under this section that would cause it to exceed the published number. A school district shall remain free to admit students who are willing to pay a tuition fee prescribed by the district, as described under section 167.151. Students admitted under section 167.151 shall not count against the cap published by the school district under this section.

3. If a student seeks to attend a school in a nonresident district under sections 167.1200 to 167.1220, the student's parent shall submit an application:

(1) To the nonresident district with a copy to the resident district;

(2) On a form, approved by the department of elementary and secondary education, that contains the address of the student's parent; and

(3) Postmarked before June first of the calendar year in which the student seeks to begin the fall semester at the nonresident district.

4. A nonresident district that receives an application under subsection 3 of this section shall, upon receipt of the application, place a date and time stamp on the application that reflects the date and time the nonresident district received the application.

5. A nonresident district shall review and make a determination on each application in the order in which the application was received by the nonresident district.

6. A nonresident district shall not reject an application on any basis other than:
(1) A student's failure to meet any admissions requirements described under section 167.1210;

(2) A student's failure to have attended a public school in the student's resident district for at least one year as described in section 167.1205;

(3) A suspension of the student as described under subsection 6 of section 167.1210;

or

(4) The district having reached the number published under subsection 2 of this section or having set the number at zero.

7. (1) Before August first of the school year in which the student seeks to enroll in a nonresident district under sections 167.1200 to 167.1220, the superintendent of the nonresident district shall notify the parent and the resident district in writing as to whether the student's application has been accepted or rejected. The notification shall be sent by first-class mail to the address on the application.

(2) If the application is rejected, the superintendent of the nonresident district shall state in the notification letter the reason for the rejection.

(3) If the application is accepted, the superintendent of the nonresident district shall state in the notification letter:

(a) A reasonable deadline by which the student shall enroll in the nonresident district and after which the acceptance notification is null; and

(b) Instructions for the procedures established by the nonresident district for renewing enrollment in the nonresident district each year.

167.1220. 1. If sections 167.1200 to 167.1220 conflict with a provision of an enforceable desegregation court order or a district's court-approved desegregation plan regarding the effects of past racial segregation in student assignment, the provisions of the order or plan shall govern.

2. (1) A school district may annually declare an exemption from sections 167.1200 to 167.1220 if the school district is subject to a desegregation order or mandate of a federal court or agency remedying the effects of past racial segregation or subject to a settlement agreement remedying the effects of past racial segregation.

(2) An exemption declared by a board of education of a school district under subdivision (1) of this subsection is irrevocable for one year from the date the school district notifies the department of elementary and secondary education of the declaration of exemption.

(3) After each year of exemption, the board of education of a school district may elect to participate in the transfer process under sections 167.1200 to 167.1220 if the school district's participation does not conflict with the school district's federal court-ordered
desegregation program or settlement agreement remedying the effects of past racial segregation.

(4) A school district shall notify the department of elementary and secondary education before April first if in the next school year the school district intends to:

(a) Declare an exemption under subdivision (1) of this subsection; or

(b) Resume participation after a period of exemption.

3. (1) Any student who transfers to a nonresident district under section 167.131, sections 162.1040 to 162.1061, or any section other than sections 167.1200 to 167.1220 shall not be subject to any requirements under sections 167.1200 to 167.1220.

(2) Districts receiving transfer students or sending transfer students to nonresident districts under section 167.131, sections 162.1040 to 162.1061, or any section other than sections 167.1200 to 167.1220 shall not be subject to any requirements under sections 167.1200 to 167.1220 for those transfer students.

4. A student transferring to a nonresident district under sections 167.1200 to 167.1220 shall not be considered a transfer student under any law relating to another transfer program or procedure that allows students to transfer out of their resident districts.