

HCS HB 1664 -- CHARTER SCHOOL FUNDING

SPONSOR: Richey

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Budget by a vote of 23 to 10. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 7 to 3.

The following is a summary of the House Committee Substitute for HB 1664.

This bill defines "local aid" to include all local and county revenue received by the school district and charter schools within the school district, with specific examples and exclusions specified in the bill. The bill requires charter schools and each school district to include an annual independent audit to verify pupil residency.

The bill requires school districts to pay for each pupil attending a charter school in that district based on the formula established in the bill which includes all state aid and local aid received by the school district divided by the total weighted average daily attendance of the school district and all charter schools within the school district.

School districts must calculate the amount of local aid owed to a charter school monthly and make timely payments to the charter school as outlined in the bill. The Department of Elementary and Secondary Education shall conduct an annual review of payments from school districts with measures for over and underpayment as outlined in the bill.

This bill has a delayed effective date of July 1, 2021 and replaces the current funding mechanism for charter schools which will no longer apply after June 30, 2021.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that this is a matter of equity for charter schools in the state. In those areas where charter schools are currently operating the local aid funding provided to charter schools does not match the local aid funding that the public school districts receive. The current bill will work toward a fair distribution and establish an independent audit to ensure districts are fairly treated.

Testifying for the bill were Representative Richey; Dean Johnson, Crossroads Charter Schools; Christy Moreno; Rochelle R Bates, Confluence Academies; Amanda Benson; and Samantha Wilkerson.

OPPONENTS: Those who oppose the bill say that not everyone that will be impacted by this bill were able to contribute in the initial stages or discussions and that the impact of this bill for some districts could be detrimental. Additional concerns were raised about what constituted "local aid" and the concern that St. Louis city sales tax is currently being litigated. Opponents elaborated that while equity is a primary goal that may not mean equal as public schools must pay for transportation costs and special education needs that many charters do not have.

Testifying against the bill were Angela Banks, St Louis Public School District; Otto Fajen, Missouri National Education Association; Missouri Association of School Administrators; Jason Hoffman; Linda Quinley, Kansas City Public Schools; Ron Berry, AFT Missouri; David Merideth; and Missouri School Boards Association.