

FIRST REGULAR SESSION

SENATE BILL NO. 409

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CROWELL.

Read 1st time March 1, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

1842S.011

AN ACT

To repeal section 163.031, RSMo, and to enact in lieu thereof one new section relating to state funding for transportation of elementary and secondary pupils.

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

Section A. Section 163.031, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 163.031, to read as follows:

163.031. 1. The department of elementary and secondary education shall
2 calculate and distribute to each school district qualified to receive state aid under
3 section 163.021 an amount determined by multiplying the district's weighted
4 average daily attendance by the state adequacy target, multiplying this product
5 by the dollar value modifier for the district, and subtracting from this product the
6 district's local effort and, in years not governed under subsection 4 of this section,
7 **adding seventy-five percent of the district allowable transportation**
8 **costs under section 163.161 and** subtracting payments from the classroom
9 trust fund under section 163.043.

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

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

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

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

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

22 (b) For the 2007-08 school year, the state revenue per weighted average
23 daily attendance received by a district from the state aid calculation under
24 subsections 1 and 4 of this section, as applicable, and the classroom trust fund
25 under section 163.043 shall not be less than the state revenue received by a
26 district in the 2005-06 school year from the foundation formula, line 14, gifted,
27 remedial reading, exceptional pupil aid, fair share, and free textbook payment
28 amounts multiplied by the sum of one plus the product of two-thirds multiplied
29 by the remainder of the dollar value modifier minus one, and dividing this
30 product by the weighted average daily attendance computed for the 2005-06
31 school year;

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

40 (d) For each year subsequent to the 2008-09 school year, the amount shall
41 be no less than that computed in paragraph (c) of this subdivision, multiplied by
42 the weighted average daily attendance pursuant to section 163.036, **plus**
43 **seventy-five percent of the district allowable transportation costs under**
44 **section 163.161**, less any increase in revenue received from the classroom trust
45 fund under section 163.043;

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

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

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

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

71 (d) For each year subsequent to the 2008-09 school year, the amount shall
72 be no less than that computed in paragraph (c) of this subdivision **plus seventy-**
73 **five percent of the district allowable transportation costs under section**
74 **163.161;**

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

78 3. School districts that meet the requirements of section 163.021 shall
79 receive categorical add-on revenue as provided in this subsection. The categorical
80 add-on for the district shall be the sum of: [seventy-five percent of the district
81 allowable transportation costs under section 163.161;] the career ladder
82 entitlement for the district, as provided for in sections 168.500 to 168.515; the
83 vocational education entitlement for the district, as provided for in section
84 167.332; and the district educational and screening program entitlements as
85 provided for in sections 178.691 to 178.699. The categorical add-on revenue
86 amounts may be adjusted to accommodate available appropriations.

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

91 (1) For the 2006-07 school year, the amount shall be fifteen percent of the

92 amount of state aid calculated for the district for the 2006-07 school year under
93 the provisions of subsection 1 of this section, plus eighty-five percent of the total
94 amount of state revenue received by the district for the 2005-06 school year from
95 the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid,
96 fair share, and free textbook payments less any amounts received under section
97 163.043.

98 (2) For the 2007-08 school year, the amount shall be thirty percent of the
99 amount of state aid calculated for the district for the 2007-08 school year under
100 the provisions of subsection 1 of this section, plus seventy percent of the total
101 amount of state revenue received by the district for the 2005-06 school year from
102 the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid,
103 fair share, and free textbook payments less any amounts received under section
104 163.043.

105 (3) For the 2008-09 school year, the amount of state aid shall be forty-four
106 percent of the amount of state aid calculated for the district for the 2008-09
107 school year under the provisions of subsection 1 of this section plus fifty-six
108 percent of the total amount of state revenue received by the district for the
109 2005-06 school year from the foundation formula, line 14, gifted, remedial
110 reading, exceptional pupil aid, fair share, and free textbook payments less any
111 amounts received under section 163.043.

112 (4) For the 2009-10 school year, the amount of state aid shall be fifty-eight
113 percent of the amount of state aid calculated for the district for the 2009-10
114 school year under the provisions of subsection 1 of this section plus forty-two
115 percent of the total amount of state revenue received by the district for the
116 2005-06 school year from the foundation formula, line 14, gifted, remedial
117 reading, exceptional pupil aid, fair share, and free textbook payments less any
118 amounts received under section 163.043.

119 (5) For the 2010-11 school year, the amount of state aid shall be
120 seventy-two percent of the amount of state aid calculated for the district for the
121 2010-11 school year under the provisions of subsection 1 of this section plus
122 twenty-eight percent of the total amount of state revenue received by the district
123 for the 2005-06 school year from the foundation formula, line 14, gifted, remedial
124 reading, exceptional pupil aid, fair share, and free textbook payments **plus**
125 **seventy-five percent of the district allowable transportation costs under**
126 **section 163.161** less any amounts received under section 163.043.

127 (6) For the 2011-12 school year, the amount of state aid shall be eighty-six

128 percent of the amount of state aid calculated for the district for the 2011-12
129 school year under the provisions of subsection 1 of this section plus fourteen
130 percent of the total amount of state revenue received by the district for the
131 2005-06 school year from the foundation formula, line 14, gifted, remedial
132 reading, exceptional pupil aid, fair share, and free textbook payments **plus**
133 **seventy-five percent of the district allowable transportation costs under**
134 **section 163.161** less any amounts received under section 163.043.

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

138 (b) a. For the 2006-07 school year, if a school district experiences a
139 decrease in summer school average daily attendance of more than twenty percent
140 from the district's 2005-06 summer school average daily attendance, an amount
141 equal to the product of the percent reduction that is in excess of twenty percent
142 of the district's summer school average daily attendance multiplied by the funds
143 generated by the district's summer school program in the 2005-06 school year
144 shall be subtracted from the district's current year payment amount.

145 b. For the 2007-08 school year, if a school district experiences a decrease
146 in summer school average daily attendance of more than thirty percent from the
147 district's 2005-06 summer school average daily attendance, an amount equal to
148 the product of the percent reduction that is in excess of thirty percent of the
149 district's summer school average daily attendance multiplied by the funds
150 generated by the district's summer school program in the 2005-06 school year
151 shall be subtracted from the district's payment amount.

152 c. For the 2008-09 school year, if a school district experiences a decrease
153 in summer school average daily attendance of more than thirty-five percent from
154 the district's 2005-06 summer school average daily attendance, an amount equal
155 to the product of the percent reduction that is in excess of thirty-five percent of
156 the district's summer school average daily attendance multiplied by the funds
157 generated by the district's summer school program in the 2005-06 school year
158 shall be subtracted from the district's payment amount.

159 d. Notwithstanding the provisions of this paragraph, no such reduction
160 shall be made in the case of a district that is receiving a payment under section
161 163.044 or any district whose regular school term average daily attendance for
162 the preceding year was three hundred fifty or less.

163 e. This paragraph shall not be construed to permit any reduction applied

164 under this paragraph to result in any district receiving a current-year payment
165 that is less than the amount calculated for such district under subsection 2 of this
166 section.

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

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

180 6. (1) No less than seventy-five percent of the state revenue received
181 under the provisions of subsections 1, 2, and 4 of this section shall be placed in
182 the teachers' fund, **except for any funds received under these subsections**
183 **attributable to the provisions of section 163.161 which shall be placed**
184 **in the incidental fund**, and the remaining percent of such moneys shall be
185 placed in the incidental fund. No less than seventy-five percent of one-half of the
186 funds received from the school district trust fund distributed under section
187 163.087 shall be placed in the teachers' fund. One hundred percent of revenue
188 received under the provisions of section 163.161 shall be placed in the incidental
189 fund. One hundred percent of revenue received under the provisions of sections
190 168.500 to 168.515 shall be placed in the teachers' fund.

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

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

195 (b) An amount equal to at least seventy-five percent of one-half of the
196 funds received from the school district trust fund distributed under section
197 163.087 during the preceding school year; and

198 (c) Beginning in fiscal year 2008, as much as was spent per the second
199 preceding year's weighted average daily attendance for certificated compensation

200 and tuition expenditures the previous year from revenue produced by local and
201 county tax sources in the teachers' fund, plus the amount of the incidental fund
202 to teachers' fund transfer calculated to be local and county tax sources by dividing
203 local and county tax sources in the incidental fund by total revenue in the
204 incidental fund. In the event a district fails to comply with this provision, the
205 amount by which the district fails to spend funds as provided herein shall be
206 deducted from the district's state revenue received under the provisions of
207 subsections 1, 2, and 4 of this section for the following year, provided that the
208 state board of education may exempt a school district from this provision if the
209 state board of education determines that circumstances warrant such exemption.

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

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