

SECOND REGULAR SESSION

HOUSE BILL NO. 1360

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JACKSON (Sponsor) AND DAVIS (122) (Co-sponsor).

Read 1st time February 3, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4405L.011

AN ACT

To repeal section 163.036, RSMo, and to enact in lieu thereof one new section relating to eligible pupil counts, with an emergency clause.

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

Section A. Section 163.036, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 163.036, to read as follows:

163.036. 1. In computing the amount of state aid a school district is entitled to receive under section 163.031, a school district may use an estimate of the number of eligible pupils for the [ensuing] **current** year, the number of eligible pupils for the immediately preceding year or the number of eligible pupils for the second preceding school year, whichever is greater. **Beginning with the 2004-2005 school year, when the current year kindergarten average daily attendance decreases from the immediately preceding year without a corresponding decrease in kindergarten enrollment for the current year compared to the immediately preceding year, the eligible pupils payment shall only include the current year kindergarten average daily attendance.** Except as otherwise provided in subsection 3 of this section, any error made in the apportionment of state aid because of a difference between the actual number of eligible pupils and the estimated number of eligible pupils shall be corrected as provided in section 163.091, except that if the amount paid to a district estimating eligible pupils exceeds the amount to which the district was actually entitled by more than five percent, interest at the rate of six percent shall be charged on the excess and shall be added to the amount to be deducted from the district's apportionment the next succeeding year.

2. Notwithstanding the provisions of subsection 1 of this section or any other provision

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

17 of law, the state board of education shall make an adjustment for the immediately preceding year
18 for any increase in the actual number of eligible pupils above the number on which the state aid
19 in section 163.031 was calculated. Said adjustment shall be made in the manner providing for
20 correction of errors under subsection 1 of this section.

21 3. (1) For any district which has, for at least five years immediately preceding the year
22 in which the error is discovered, adopted a calendar for the school term in which elementary
23 schools are in session for twelve months of each calendar year, any error made in the
24 apportionment of state aid to such district because of a difference between the actual number of
25 eligible pupils and the estimated number of eligible pupils shall be corrected as provided in
26 section 163.091 and subsection 1 of this section, except that if the amount paid exceeds the
27 amount to which the district was actually entitled by more than five percent and the district
28 provides written application to the state board requesting that the deductions be made pursuant
29 to subdivision (2) of this subsection, then the amounts shall be deducted pursuant to subdivision
30 (2) of this subsection.

31 (2) For deductions made pursuant to this subdivision, interest at the rate of six percent
32 shall be charged on the excess and shall be included in the amount deducted and the total amount
33 of such excess plus accrued interest shall be deducted from the district's apportionment in equal
34 monthly amounts beginning with the succeeding school year and extending for a period of
35 months specified by the district in its written request and no longer than sixty months.

36 4. For the purposes of distribution of state school aid pursuant to section 163.031, a
37 school district may elect to use the district's equalized assessed valuation for the preceding year,
38 or an estimate of the current year's assessed valuation if the current year's equalized assessed
39 valuation is estimated to be more than ten percent less than the district's equalized assessed
40 valuation for the preceding year. A district shall give prior notice to the department of its
41 intention to use the current year's assessed valuation pursuant to this subsection. Any error made
42 in the apportionment of state aid because of a difference between the actual equalized assessed
43 valuation for the current year and the estimated equalized assessed valuation for the current year
44 shall be corrected as provided in section 163.091, except that if the amount paid to a district
45 estimating current equalized assessed valuation exceeds the amount to which the district was
46 actually entitled, interest at the rate of six percent shall be charged on the excess and shall be
47 added to the amount to be deducted from the district's apportionment the next succeeding year.

48 5. For the purposes of distribution of state school aid pursuant to section 163.031, a
49 school district with ten percent or more of its assessed valuation that is owned by one person or
50 corporation as commercial or personal property who is delinquent in a property tax payment may
51 elect, after receiving notice from the county clerk on or before March fifteenth, except in the year
52 enacted, that more than ten percent of its current taxes due the preceding December thirty-first

53 by a single property owner are delinquent, to use on line 2 of the state aid formula the district's
54 equalized assessed valuation for the preceding year or the actual assessed valuation of the year
55 for which the taxes are delinquent less the assessed valuation of property for which the current
56 year's property tax is delinquent. To qualify for use of the actual assessed valuation of the year
57 for which the taxes are delinquent less the assessed valuation of property for which the current
58 year's property tax is delinquent, a district must notify the department of elementary and
59 secondary education on or before April first, except in the year enacted, of the current year
60 amount of delinquent taxes, the assessed valuation of such property for which delinquent taxes
61 are owed and the total assessed valuation of the district for the year in which the taxes were due
62 but not paid. Any district giving such notice to the department of elementary and secondary
63 education shall present verification of the accuracy of such notice obtained from the clerk of the
64 county levying delinquent taxes. When any of the delinquent taxes identified by such notice are
65 paid during a four- year period following the due date, the county clerk shall give notice to the
66 district and the department of elementary and secondary education, and state aid paid to the
67 district shall be reduced by an amount equal to the delinquent taxes received plus interest. The
68 reduction in state aid shall occur over a period not to exceed five years and the interest rate on
69 excess state aid not refunded shall be six percent annually.

70 6. If a district receives state aid based on equalized assessed valuation as determined by
71 subsection 5 of this section and if prior to such notice the district was paid state aid pursuant to
72 subdivision (2) of subsection 5 of section 163.031, the amount of state aid paid during the year
73 of such notice and the first year following shall equal the sum of state aid paid pursuant to line
74 1 minus line 10 as defined in subsections 1, 2, 3 and 6 of section 163.031 plus the difference
75 between the state aid amount being paid after such notice minus the amount of state aid the
76 district would have received pursuant to line 1 minus line 10 as defined in subsections 1, 2, 3 and
77 6 of section 163.031 before such notice. To be eligible to receive state aid based on this
78 provision the district must levy during the first year following such notice at least the maximum
79 levy permitted school districts by article X, section 11(b) of the Missouri Constitution and have
80 a voluntary rollback of its tax rate which is no greater than one cent per one hundred dollars
81 assessed valuation.

Section B. Because immediate action is necessary to ensure the efficient operation of the
2 public schools, section A of this act is deemed necessary for the immediate preservation of the
3 public health, welfare, peace and safety, and is hereby declared to be an emergency act within
4 the meaning of the constitution, and section A of this act shall be in full force and effect upon
5 its passage and approval.