

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 968
AND
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 969
92ND GENERAL ASSEMBLY

Reported from the Committee on Education April 22, 2004, with recommendation that the House Committee Substitute for Senate Substitute for Senate Committee Substitute for Senate Bill No. 968 and Senate Committee Substitute for Senate Bill No. 969 Do Pass.

STEPHEN S. DAVIS, Chief Clerk

3402L.09C

AN ACT

To repeal sections 105.454, 163.031, 168.104, 168.110, 168.124, 168.126, 168.303, 168.500, 168.515, 169.712, and 302.272, RSMo, and to enact in lieu thereof fifteen new sections relating to school personnel, with an emergency clause for certain sections.

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

Section A. Sections 105.454, 163.031, 168.104, 168.110, 168.124, 168.126, 168.303, 168.500, 168.515, 169.712, and 302.272, RSMo, are repealed and fifteen new sections enacted in lieu thereof, to be known as sections 105.454, 162.032, 163.031, 167.166, 168.104, 168.110, 168.124, 168.126, 168.303, 168.500, 168.515, 169.712, 171.053, 302.272, and 1, to read as follows:

105.454. No elected or appointed official or employee of the state or any political subdivision thereof, serving in an executive or administrative capacity, shall:

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.

3 (1) Perform any service for any agency of the state, or for any political subdivision
4 thereof in which he or she is an officer or employee or over which he or she has supervisory
5 power for receipt or payment of any compensation, other than of the compensation provided for
6 the performance of his or her official duties, in excess of five hundred dollars per transaction or
7 one thousand five hundred dollars per annum, **or in the case of a school board five thousand**
8 **dollars per annum**, except on transactions made pursuant to an award on a contract let or sale
9 made after public notice and competitive bidding, provided that the bid or offer is the lowest
10 received.

11 (2) Sell, rent or lease any property to any agency of the state, or to any political
12 subdivision thereof in which he or she is an officer or employee or over which he or she has
13 supervisory power and received consideration therefor in excess of five hundred dollars per
14 transaction or one thousand five hundred dollars per year, **or in the case of a school board five**
15 **thousand dollars per annum**, unless the transaction is made pursuant to an award on a contract
16 let or sale made after public notice and in the case of property other than real property,
17 competitive bidding, provided that the bid or offer accepted is the lowest received;

18 (3) Participate in any matter, directly or indirectly, in which he or she attempts to
19 influence any decision of any agency of the state, or political subdivision thereof in which he or
20 she is an officer or employee or over which he or she has supervisory power, when he or she
21 knows the result of such decision may be the acceptance of the performance of a service or the
22 sale, rental, or lease of any property to that agency for consideration in excess of five hundred
23 dollars' value per transaction or one thousand five hundred dollars' value per annum to him or
24 her, to his or her spouse, to a dependent child in his or her custody or to any business with which
25 he or she is associated unless the transaction is made pursuant to an award on a contract let or
26 sale made after public notice and in the case of property other than real property, competitive
27 bidding, provided that the bid or offer accepted is the lowest received;

28 (4) Perform any services during the time of his or her office or employment for any
29 consideration from any person, firm or corporation, other than the compensation provided for
30 the performance of his or her official duties, by which service he or she attempts to influence a
31 decision of any agency of the state, or of any political subdivision in which he or she is an officer
32 or employee or over which he or she has supervisory power;

33 (5) Perform any service for consideration, during one year after termination of his or her
34 office or employment, by which performance he or she attempts to influence a decision of any
35 agency of the state, or a decision of any political subdivision in which he or she was an officer
36 or employee or over which he or she had supervisory power, except that this provision shall not
37 be construed to prohibit any person from performing such service and receiving compensation
38 therefor, in any adversary proceeding or in the preparation or filing of any public document or

39 to prohibit an employee of the executive department from being employed by any other
40 department, division or agency of the executive branch of state government. For purposes of this
41 subdivision, within ninety days after assuming office, the governor shall by executive order
42 designate those members of his or her staff who have supervisory authority over each
43 department, division or agency of state government for purposes of application of this
44 subdivision. The executive order shall be amended within ninety days of any change in the
45 supervisory assignments of the governor's staff. The governor shall designate not less than three
46 staff members pursuant to this subdivision;

47 (6) Perform any service for any consideration for any person, firm or corporation after
48 termination of his or her office or employment in relation to any case, decision, proceeding or
49 application with respect to which he or she was directly concerned or in which he or she
50 personally participated during the period of his or her service or employment.

**162.032. If a school district is annexed to an existing district or divided into two or
2 more districts by a vote of the citizens, or is dissolved under the lapse procedures in section
3 162.081, court action, or any other authority of Missouri or federal laws, the successor
4 school district shall become responsible for ensuring access to continuation of health
5 insurance coverage for retired teachers and employees of the district if the original district
6 offers health insurance coverage to its retirees at the time of its loss of corporate structure.
7 If an original district is divided into multiple successor districts, such responsibility shall
8 be assigned to the successor district with the largest eligible pupil count in the most
9 recently completed school year.**

163.031. 1. School districts which meet the requirements of section 163.021 shall be
2 entitled to an amount computed as follows: an amount determined by multiplying the number
3 of eligible pupils by the lesser of the district's equalized operating levy for school purposes as
4 defined in section 163.011 or two dollars and seventy-five cents per one hundred dollars assessed
5 valuation multiplied by the guaranteed tax base per eligible pupil times the proration factor plus
6 an amount determined by multiplying the number of eligible pupils by the greater of zero or the
7 district's equalized operating levy for school purposes as defined in section 163.011 minus two
8 dollars and seventy-five cents per one hundred dollars assessed valuation multiplied by the
9 guaranteed tax base per eligible pupil times the proration factor. For the purposes of this section,
10 the proration factor shall be equal to the sum of the total appropriation for distribution under
11 subsections 1 and 2 of this section; and the state total of the deductions as calculated in
12 subsection 2 of this section which do not exceed the district entitlements as adjusted by the same
13 proration factor; divided by the amount of the state total of district entitlements before proration
14 as calculated pursuant to this subsection; provided that, if the proration factor so calculated is
15 greater than one, the proration factor for line 1(b) shall be the greater of one or the proration

16 factor for line 1(a) minus five hundredths, and provided that if the proration factor so calculated
17 is less than one, the proration factor for line 1(a) shall be the lesser of one or the proration factor
18 for line 1(b) plus five hundredths.

19 2. From the district entitlement for each district there shall be deducted the following
20 amounts: an amount determined by multiplying the district equalized assessed valuation by the
21 district's equalized operating levy for school purposes times the district income factor plus ninety
22 percent of any payment received the current year of protested taxes due in prior years no earlier
23 than the 1997 tax year minus the amount of any protested taxes due in the current year and for
24 which notice of protest was received during the current year; one hundred percent of the amount
25 received the previous year for school purposes from intangible taxes, fines, forfeitures and
26 escheats, payments in lieu of taxes and receipts from state assessed railroad and utility tax,
27 except that any penalty paid after July 1, 1995, by a concentrated animal feeding operation as
28 defined by the department of natural resources rule shall not be included; one hundred percent
29 of the amounts received the previous year for school purposes from federal properties pursuant
30 to sections 12.070 and 12.080, RSMo; federal impact aid received the previous year for school
31 purposes pursuant to P.L. 81-874 less fifty thousand dollars multiplied by ninety percent or the
32 maximum percentage allowed by federal regulation if that percentage is less than ninety; fifty
33 percent, or the percentage otherwise provided in section 163.087 of Proposition C revenues
34 received the previous year for school purposes from the school district trust fund pursuant to
35 section 163.087; one hundred percent of the amount received the previous year for school
36 purposes from the fair share fund pursuant to section 149.015, RSMo; and one hundred percent
37 of the amount received the previous year for school purposes from the free textbook fund,
38 pursuant to section 148.360, RSMo.

39 3. School districts which meet the requirements of section 163.021 shall receive
40 categorical add-on revenue as provided in this subsection. **With the exception of the career**
41 **ladder entitlement**, there shall be individual proration factors for each categorical entitlement
42 provided for in this subsection, and each proration factor shall be determined by annual
43 appropriations, but no categorical proration factor shall exceed the entitlement proration factor
44 established pursuant to subsection 1 of this section, except that the vocational education
45 entitlement proration factor established pursuant to line 16 of subsection 6 of this section and the
46 educational and screening program entitlements proration factor established pursuant to line 17
47 of subsection 6 of this section may exceed the entitlement proration factor established pursuant
48 to subsection 1 of this section. The categorical add-on for the district shall be the sum of:
49 seventy-five percent of the costs of adopting and providing a violence prevention program
50 pursuant to section 161.650, RSMo, multiplied by the proration factor; seventy-five percent of
51 the district allowable transportation costs pursuant to section 163.161 multiplied by the proration

52 factor; the special education approved or allowed cost entitlement for the district, provided for
 53 by section 162.975, RSMo, multiplied by the proration factor; seventy-five percent of the district
 54 gifted education approved or allowable cost entitlement as determined pursuant to section
 55 162.975, RSMo, multiplied by the proration factor; the free and reduced lunch eligible pupil
 56 count for the district, as defined in section 163.011, multiplied by twenty percent, for a district
 57 with an operating levy in excess of two dollars and seventy-five cents per one hundred dollars
 58 assessed valuation, or twenty-two percent, otherwise times the guaranteed tax base per eligible
 59 pupil times two dollars and seventy-five cents per one hundred dollars assessed valuation times
 60 the proration factor plus the free and reduced lunch eligible pupil count for the district, as defined
 61 in section 163.011, times thirty percent times the guaranteed tax base per eligible pupil times the
 62 following quantity: ((the greater of zero or the district's operating levy for school purposes minus
 63 two dollars and seventy-five cents per one hundred dollars assessed valuation) times one or,
 64 beginning in the fifth year following the effective date of this section, the quotient of the district's
 65 fiscal instructional ratio of efficiency for the prior year divided by the fiscal year 1998 statewide
 66 average fiscal instructional ratio of efficiency, if the district's prior year fiscal instructional ratio
 67 of efficiency is at least five percent below the fiscal year 1998 statewide average) times the
 68 proration factor, minus court-ordered state desegregation aid received by the district for operating
 69 purposes; the career ladder entitlement for the district, as provided for in sections 168.500 to
 70 168.515, RSMo, [multiplied by the proration factor]; the vocational education entitlement for
 71 the district, as provided for in section 167.332, RSMo, multiplied by the proration factor and the
 72 district educational and screening program entitlements as provided for in sections 178.691 to
 73 178.699, RSMo, times the proration factor.

74 4. Each district's apportionment shall be the prorated categorical add-ons plus the greater
 75 of the district's prorated entitlement minus the total deductions for the district or zero.

76 5. (1) In the 1993-94 school year and all subsequent school years, pursuant to section
 77 10(c) of article X of the state constitution, a school district shall adjust upward its operating levy
 78 for school purposes to the extent necessary for the district to at least maintain the current
 79 operating expenditures per pupil received by the district from all sources in the 1992-93 school
 80 year, except that its operating levy for school purposes shall not exceed the highest tax rate in
 81 effect subsequent to the 1980 tax year, or the minimum rate required by subsection 2 of section
 82 163.021, whichever is less.

83 (2) The revenue per eligible pupil received by a district from the following sources: line
 84 1 minus line 10, or zero if line 1 minus line 10 is less than zero, plus line 14 of subsection 6 of
 85 this section, shall not be less than the revenue per eligible pupil received by a district in the
 86 1992-93 school year from the foundation formula entitlement payment amount plus the amount
 87 of line 14 per eligible pupil that exceeds the line 14 per pupil amount from the 1997-98 school

88 year, or the revenue per eligible pupil received by a district in the 1992-93 school year from the
89 foundation formula entitlement payment amount plus the amount of line 14(a) per eligible pupil
90 times the quotient of line 1 minus line 10, divided by the number of eligible pupils, or zero if line
91 1 minus line 10 is less than zero, divided by the revenue per eligible pupil received by the district
92 in the 1992-93 school year from the foundation formula entitlement payment amount, whichever
93 is greater. The department of elementary and secondary education shall make an addition in the
94 payment amount of line 19 of subsection 6 of this section to assure compliance with the
95 provisions contained in this section.

96 (3) For any school district which meets the eligibility criteria for state aid as established
97 in section 163.021, but which under subsections 1 to 4 of this section, receives no state aid for
98 two successive school years, other than categorical add-ons, by August first following the second
99 such school year, the commissioner of education shall present a plan to the superintendent of the
100 school district for the waiver of rules and the duration of said waivers, in order to promote
101 flexibility in the operations of the district and to enhance and encourage efficiency in the delivery
102 of instructional services. The provisions of other law to the contrary notwithstanding, the plan
103 presented to the superintendent shall provide a summary waiver, with no conditions, for the pupil
104 testing requirements pursuant to section 160.257, RSMo. Further, the provisions of other law
105 to the contrary notwithstanding, the plan shall detail a means for the waiver of requirements
106 otherwise imposed on the school district related to the authority of the state board of education
107 to classify school districts pursuant to section 161.092, RSMo, and such other rules as
108 determined by the commissioner of education, except that such waivers shall not include the
109 provisions established pursuant to sections 160.514 and 160.518, RSMo.

110 (4) In the 1993-94 school year and each school year thereafter for two years, those
111 districts which are entitled to receive state aid under subsections 1 to 4 of this section, shall
112 receive state aid in an amount per eligible pupil as provided in this subsection. For the 1993-94
113 school year, the amount per eligible pupil shall be twenty-five percent of the amount of state aid
114 per eligible pupil calculated for the district for the 1993-94 school year pursuant to subsections
115 1 to 4 of this section plus seventy-five percent of the total amount of state aid received by the
116 district from all sources for the 1992-93 school year for which the district is entitled and which
117 are distributed in the 1993-94 school year pursuant to subsections 1 to 4 of this section. For the
118 1994-95 school year, the amount per eligible pupil shall be fifty percent of the amount of state
119 aid per eligible pupil calculated for the district for the 1994-95 school year pursuant to
120 subsections 1 to 4 of this section plus fifty percent of the total amount of state aid received by
121 the district from all sources for the 1992-93 school year for which the district is entitled and
122 which are distributed in the 1994-95 school year pursuant to subsections 1 to 4 of this section.
123 For the 1995-96 school year, the amount of state aid per eligible pupil shall be seventy-five

124 percent of the amount of state aid per eligible pupil calculated for the district for the 1995-96
 125 school year pursuant to subsections 1 to 4 of this section plus twenty-five percent of the total
 126 amount of state aid received by the district from all sources for the 1992-93 school year for
 127 which the district is entitled and which are distributed in the 1995-96 school year pursuant to
 128 subsections 1 to 4 of this section. Nothing in this subdivision shall be construed to limit the
 129 authority of a school district to raise its district operating levy pursuant to subdivision (1) of this
 130 subsection.

131 (5) If the total of state aid apportionments to all districts pursuant to subdivision (3) of
 132 this subsection is less than the total of state aid apportionments calculated pursuant to
 133 subsections 1 to 4 of this section, then the difference shall be deposited in the outstanding
 134 schools trust fund. If the total of state aid apportionments to all districts pursuant to subdivision
 135 (1) of this subsection is greater than the total of state aid apportionments calculated pursuant to
 136 subsections 1 to 4 of this section, then funds shall be transferred from the outstanding schools
 137 trust fund to the state school moneys fund to the extent necessary to fund the district entitlements
 138 as modified by subdivision (4) of this subsection for that school year with a district entitlement
 139 proration factor no less than one and such transfer shall be given priority over all other uses for
 140 the outstanding schools trust fund as otherwise provided by law.

141 6. State aid shall be determined as follows:

142 District Entitlement

- 143 1(a). Number of eligible pupils x (lesser of district's equalized operating levy for school
 144 purposes or two dollars and seventy-five cents per one hundred dollars assessed
 145 valuation) x (proration x GTB per EP) \$.....
 146 1(b). Number of eligible pupils x (greater of: 0, or district's equalized operating levy for school
 147 purposes minus two dollars and seventy-five cents per one hundred dollars assessed
 148 valuation) x (proration x GTB per EP) \$.....

149 Deductions

- 150 2. District equalized assessed valuation x district income factor x district's equalized
 151 operating levy for school purposes plus ninety percent of any payment received the
 152 current year of protested taxes due in prior years no earlier than the 1997 tax year minus
 153 the amount of any protested taxes due in the current year and for which notice of protest
 154 was received during the current year \$.....
 155 3. Intangible taxes, fines, forfeitures, escheats, payments in lieu of taxes, etc. (100% of the
 156 amount received the previous year for school purposes) \$.....
 157 4. Receipts from state assessed railroad and utility tax (100% of the amount received the
 158 previous year for school purposes) \$.....

159	5.	Receipts from federal properties pursuant to sections 12.070 and 12.080, RSMo (100%	
160		of the amount received the previous year for school purposes)	\$.....
161	6.	(Federal impact aid received the previous year for school purposes pursuant to P.L.	
162		81-874 less \$50,000) x 90% or the maximum percentage allowed by federal regulations	
163		if less than 90%	\$.....
164	7.	Fifty percent or the percentage otherwise provided in section 163.087 of Proposition C	
165		receipts from the school district trust fund received the previous year for school purposes	
166		pursuant to section 163.087	\$.....
167	8.	One hundred percent of the amount received the previous year for school purposes from	
168		the fair share fund pursuant to section 149.015, RSMo	\$.....
169	9.	One hundred percent of the amount received the previous year for school purposes from	
170		the free textbook fund pursuant to section 148.360, RSMo	\$.....
171	10.	Total deductions (sum of lines 2-9)	\$.....
172		Categorical Add-ons	
173	11.	The amount distributed pursuant to section 163.161 x proration	\$.....
174	12.	Special education approved or allowed cost entitlement for the district pursuant to section	
175		162.975, RSMo, x proration	\$.....
176	13.	Seventy-five percent of the gifted education approved or allowable cost entitlement as	
177		determined pursuant to section 162.975, RSMo, x proration	\$.....
178	14(a).	Free and reduced lunch eligible pupil count for the district, as defined in section 163.011,	
179		x .20, if operating levy in excess of \$2.75, or .22, otherwise x GTB per EP x \$2.75 per	
180		\$100 AV x proration	\$.....
181	14(b).	Free and reduced lunch eligible pupil count for the district, as defined in section 163.011	
182		x .30 x GTB x ((the greater of zero or the district's adjusted operating levy minus \$2.75	
183		per \$100 AV) x (1.0 or, beginning in the fifth year following the effective date of this	
184		section, the district's FIRE for the prior year/statewide average FIRE for FY 1998, if the	
185		district's prior year FIRE is at least five percent below the FY 1998 statewide average	
186		FIRE) x proration) - court-ordered state desegregation aid received by the district for	
187		operating purposes	\$.....
188	15.	Career ladder entitlement for the district as provided for in sections 168.500 to 168.515,	
189		RSMo, [x proration]	\$.....
190	16.	Vocational education entitlements for the district as provided in section 167.332, RSMo,	
191		x proration	\$.....
192	17.	Educational and screening program entitlements for the district as provided in sections	
193		178.691 to 178.699, RSMo, x proration	\$.....
194	18.	Sum of categorical add-ons for the district (sum of lines 11-17)	\$.....

195 19. District apportionment (line 18 plus the greater of line
196 1 minus line 10 or zero) \$.
197 7. Revenue received for school purposes by each school district pursuant to this section
198 shall be placed in each of the incidental and teachers' funds based on the ratio of the property tax
199 rate in the district for that fund to the total tax rate in the district for the two funds.
200 8. In addition to the penalty for line 14 described in subsection 6 of this section,
201 beginning in school year 2004-05, any increase in a school district's funds received pursuant to
202 line 14 of subsection 6 of this section over the 1997-98 school year shall be reduced by one
203 percent for each full percentage point the percentage of the district's pupils scoring at or above
204 five percent below the statewide average level on either mathematics or reading is less than
205 sixty-five percent.
206 9. If a school district's annual audit discloses that students were inappropriately identified
207 as eligible for free or reduced-price lunch and the district does not resolve the audit finding, the
208 department of elementary and secondary education shall require that the amount of line 14 aid
209 paid on the inappropriately identified pupils be repaid by the district in the next school year and
210 shall additionally impose a penalty of one hundred percent of the line 14 aid paid on such pupils,
211 which penalty shall also be paid within the next school year. Such amounts may be repaid by
212 the district through the withholding of the amount of state aid.

**167.166. 1. No employee or volunteer of any public school or charter school within
2 this state shall perform a strip search, as that term is defined in section 544.193, RSMo, of
3 any student of any such school. In addition, no employee or volunteer of any public school
4 or charter school shall direct a student to take part in, direct, or supervise a strip search
5 of a fellow student; however, such searches may be conducted by, or under the authority
6 of, a commissioned law enforcement officer or if an emergency condition exists. For the
7 purposes of this section, the term "employee" shall include all temporary and part-time
8 employees of such public schools and charter schools.**

**9 2. No employee or or volunteer in or school board member of or school district
10 administrator of a public school or charter school shall direct a student to remove a
11 religious emblem, insignia, or garment, as long as such emblem, insignia, or garment is
12 worn in a manner that does not promote disruptive behavior.**

**13 3. Any employee of a public school or charter school who violates the provisions of
14 subsection 1 of this section shall be immediately suspended without pay, pending an
15 evidentiary hearing when such employee is entitled by statute or contract to such hearing.
16 If an employee is not entitled to such evidentiary hearing, the employee shall be suspended
17 pending completion of due process or further disciplinary action as provided in the
18 district's personnel policies, as applicable.**

168.104. The following words and phrases when used in sections 168.102 to 168.130, except in those instances where the context indicates otherwise, mean:

(1) "Board of education", the school board or board of directors of a school district, except a metropolitan school district, having general control of the affairs of the district;

(2) "Demotion", any reduction in salary or transfer to a position carrying a lower salary, except on request of a teacher, other than any change in salary applicable to all teachers or all teachers in a classification;

(3) "Indefinite contract", every contract heretofore or hereafter entered into between a school district and a permanent teacher;

(4) "Permanent teacher", any teacher who has been employed or who is hereafter employed as a teacher in the same school district for five successive years and who has continued or who thereafter continues to be employed as a teacher by the school district or any supervisor of teachers who was employed as a teacher in the same school district for at least five successive years prior to becoming a supervisor of teachers and who continues thereafter to be employed as a certificated employee by the school district; except that, when a permanent teacher resigns or is permanently separated from employment by a school district, and is afterwards reemployed by the same school district, reemployment for the first school year does not constitute an indefinite contract but if he is employed for the succeeding year, the employment constitutes an indefinite contract; and except that any teacher employed under a part-time contract by a school district shall accrue credit toward permanent status on a prorated basis. Any permanent teacher who is promoted with his consent to a supervisory position including principal or assistant principal, or is first employed by a district in a supervisory position including principal or assistant principal, shall not have permanent status in such position but shall retain tenure in the position previously held within the district, or, after serving two years as principal or assistant principal, shall have tenure as a permanent teacher of that system;

(5) "Probationary teacher", any teacher as herein defined who has been employed in the same school district for five successive years or less. In the case of any probationary teacher who has been employed in any other school system as a teacher for two or more years, the board of education shall waive one year of his probationary period;

(6) "School district", every school district in this state, except metropolitan school district as defined in section 162.571, RSMo;

(7) "Teacher", any employee of a school district, except a metropolitan school district, regularly required to be certified under laws relating to the certification of teachers, except superintendents and assistant superintendents **but including certified teachers who teach at the prekindergarten level in a nonmetropolitan public school.**

168.110. The board of education of a school district may modify an indefinite contract annually on or before the fifteenth day of May in the following particulars:

(1) Determination of the date of beginning and length of the next school year;

(2) Fixing the amount of annual compensation for the following school year as provided by the salary schedule adopted by the board of education applicable to all teachers. **Districts may provide a salary that includes salary schedule modifications to retain teachers based upon demonstrated need for teachers certified in shortage areas. Districts may also provide such schedule modifications to retain teachers with qualities, experience, or credentials that are exceptionally well suited to a district's needs for academic improvement or to compensate teachers who undertake difficult assignments, including but not limited to teaching in a classroom that exceeds the recommended class size for that grade level according to Missouri school improvement program standards. In exchange for such modifications, teachers may be required to teach in the district offering the modification for a period of up to three school years. Districts shall have the decision-making authority on whether to provide such modifications within the limits of this section.** The modifications shall be effective at the beginning of the next school year. All teachers affected by the modification shall be furnished written copies of the modifications within thirty days after their adoption by the board of education.

168.124. 1. The board of education of a school district may place on leave of absence as many teachers as may be necessary because of a decrease in pupil enrollment, school district reorganization or the financial condition of the school district. In placing teachers on leave, the board of education shall be governed by the following provisions:

(1) No permanent teacher shall be placed on leave of absence while probationary teachers are retained in positions for which a permanent teacher is qualified;

(2) Permanent teachers shall be retained on the basis of performance-based evaluations and seniority (however, seniority shall not be controlling) within the field of specialization;

(3) Permanent teachers shall be reinstated to the positions from which they have been given leaves of absence, or if not available, to positions requiring like training and experience, or to other positions in the school system for which they are qualified by training and experience;

(4) No appointment of new teachers shall be made while there are available teachers on unrequested leave of absence who are properly qualified to fill such vacancies;

(5) A teacher placed on leave of absence may engage in teaching or another occupation during the period of such leave;

(6) The leave of absence shall not impair the tenure of a teacher;

(7) The leave of absence shall continue for a period of not more than three years unless extended by the board.

19 **2. Should a board of education choose to utilize the mechanism for reducing teacher**
20 **forces as provided in subsection 1 of this section in an attempt to manage adverse financial**
21 **conditions caused at least partially by a withholding of, or a decrease or less than expected**
22 **increase in, education appropriations, then the district additionally shall follow the**
23 **provisions of subsection 3 of this section.**

24 **3. If a school district has an unrestricted combined ending fund balance of more**
25 **than ten percent of current expenditures in its teachers' and incidental funds, and in the**
26 **subsequent fiscal year such district, because of state appropriations, places a contracted**
27 **teacher on leave of absence after forty days subsequent to the governor signing the**
28 **elementary and secondary education appropriation bill, the district shall pay the affected**
29 **teacher the greater of his or her salary for any days worked under the contract, or a sum**
30 **equal to three thousand dollars.**

168.126. 1. A board of education at a regular or special meeting may contract with and
2 employ by a majority vote legally qualified probationary teachers for the school district. The
3 contract shall be made by order of the board; shall specify the number of months school is to be
4 taught and the wages per month to be paid, **including hiring incentives or salary schedule**
5 **modifications pursuant to subsection 2 of this section;** shall be signed by the probationary
6 teacher and the president of the board, or a facsimile signature of the president may be affixed
7 at his discretion; and the contract shall be attested by the secretary of the board by signature or
8 facsimile. The board shall not employ one of its members as a teacher; nor shall any person be
9 employed as a teacher who is related within the fourth degree to any board member, either by
10 consanguinity or affinity, where the vote of the board member is necessary to the selection of the
11 person.

12 **2. Districts may provide a salary that includes hiring incentives or salary schedule**
13 **modifications to attract teachers based upon demonstrated need for teachers certified in**
14 **shortage areas. Districts may also provide such incentives or modifications to attract**
15 **teachers with qualities, experience, or credentials that are exceptionally well-suited to a**
16 **district's needs for academic improvement or to compensate teachers who undertake**
17 **difficult assignments, including but not limited to teaching in a classroom that exceeds the**
18 **recommended class size for that grade level according to Missouri school improvement**
19 **program standards. In exchange for such incentives or modifications, teachers may be**
20 **required to teach in the district offering the incentive or modification for a period of up to**
21 **three school years. Districts shall have the decision-making authority on whether to**
22 **provide such incentives and modifications within the limits of this section.**

23 **3. If in the opinion of the board of education any probationary teacher has been doing**
24 **unsatisfactory work, the board of education, through its authorized administrative representative,**

25 shall provide the teacher with a written statement definitely setting forth his alleged
 26 incompetency and specifying the nature thereof, in order to furnish the teacher an opportunity
 27 to correct his fault and overcome his incompetency. If improvement satisfactory to the board of
 28 education has not been made within ninety days of the receipt of the notification, the board of
 29 education may terminate the employment of the probationary teacher immediately or at the end
 30 of the school year. Any motion to terminate the employment of a probationary teacher shall
 31 include only one person and must be approved by a majority of the members of the board of
 32 education. A tie vote thereon constitutes termination. On or before the fifteenth day of April in
 33 each school year, the board of education shall notify in writing a probationary teacher who will
 34 not be retained by the school district of the termination of his employment. Upon request, the
 35 notice shall contain a concise statement of the reason or reasons the employment of the
 36 probationary teacher is being terminated. **If the reason for the termination is due to a**
 37 **decrease in pupil enrollment, school district reorganization, or the financial condition of**
 38 **the school district, then the district shall in all cases issue notice to the teacher expressly**
 39 **declaring such as the reason for such termination.** Nothing contained in this section shall
 40 give rise to a cause of action not currently cognizant at law by a probationary teacher for any
 41 reason given in said writing so long as the board issues the letter in good faith without malice,
 42 but an action for actual damages may be maintained by any person for the deprivation of a right
 43 conferred by this act.

44 [3.] 4. Any probationary teacher who is not notified of the termination of his employment
 45 shall be deemed to have been appointed for the next school year, under the terms of the contract
 46 for the preceding year. A probationary teacher who is informed of reemployment by written
 47 notice shall be tendered a contract on or before the fifteenth day of May, and shall within fifteen
 48 days thereafter present to the employing board of education a written acceptance or rejection of
 49 the employment tendered, and failure of such teachers to present the acceptance within such time
 50 constitutes a rejection of the board's offer. A contract between a probationary teacher and a
 51 board of education may be terminated or modified at any time by the mutual consent of the
 52 parties thereto.

168.303. The state board of education shall adopt rules to facilitate job-sharing positions
 2 for classroom teachers, as the term "job-sharing" is defined in this section. These rules shall
 3 provide that a classroom teacher in a job-sharing position shall receive paid legal holidays,
 4 annual vacation leave, sick leave, and personal leave on a pro rata basis. "Job-sharing position"
 5 shall mean any position:

- 6 (1) Shared with one other employee;
- 7 (2) Requiring employment of at least [seventeen] **fifteen** hours per week but not more
- 8 than twenty hours per week on a regular basis; and

9 (3) Requiring at least seventy percent of all time spent in classroom instruction as
10 determined by the employer;

11

12 provided that, job-sharing position shall not include instructional support or school services
13 positions including, but not limited to, guidance counselor, media coordinator, psychologist,
14 social worker, audiologist, speech and language pathologist, and nursing positions.

168.500. 1. For the purpose of providing career pay, which shall be a salary supplement,
2 for public school teachers, which for the purpose of sections 168.500 to 168.515 shall include
3 classroom teachers, librarians, guidance counselors and certificated teachers who hold positions
4 as school psychological examiners, parents as teachers educators, school psychologists, special
5 education diagnosticians and speech pathologists, and are on the district salary schedule, there
6 is hereby created and established a career advancement program which shall be known as the
7 "Missouri Career Development and Teacher Excellence Plan", hereinafter known as the "career
8 plan or program". Participation by local school districts in the career advancement program
9 established under this section shall be voluntary. The career advancement program is a matching
10 fund program of variable match rates. The general assembly shall make an annual appropriation
11 to the excellence in education fund established under section 160.268, RSMo, for the purpose
12 of providing the state's portion for the career advancement program. The "Career Ladder
13 Forward Funding Fund" is hereby established in the state treasury. Beginning with fiscal year
14 1998 and until the career ladder forward funding fund is terminated pursuant to this subsection,
15 the general assembly shall appropriate funds to the career ladder forward funding fund.
16 Notwithstanding the provisions of section 33.080, RSMo, to the contrary, moneys in the fund
17 shall not be transferred to the credit of the general revenue fund at the end of the biennium. All
18 interest or other gain received from investment of moneys in the fund shall be credited to the
19 fund. All funds deposited in the fund shall be maintained in the fund until such time as the
20 balance in the fund at the end of the fiscal year is equal to or greater than the appropriation for
21 the career ladder program for the following year, at which time all such revenues shall be used
22 to fund, in advance, the career ladder program for such following year and the career ladder
23 forwarding funding fund shall thereafter be terminated.

24 2. The department of elementary and secondary education, at the direction of the
25 commissioner of education, shall study and develop model career plans which shall be made
26 available to the local school districts. These state model career plans shall:

27 (1) Contain three steps or stages of career advancement;

28 (2) Contain a detailed procedure for the admission of teachers to the career program;

29 (3) Contain specific criteria for career step qualifications and attainment. These criteria
30 shall clearly describe the minimum number of professional responsibilities required of the

31 teacher at each stage of the plan and shall include reference to classroom performance
32 evaluations performed pursuant to section 168.128;

33 (4) Be consistent with the teacher certification process recommended by the Missouri
34 advisory council of certification for educators and adopted by the department of elementary and
35 secondary education;

36 (5) Provide that public school teachers in Missouri shall become eligible to apply for
37 admission to the career plans adopted under sections 168.500 to 168.515 after five years of
38 public school teaching in Missouri. All teachers seeking admission to any career plan shall, as
39 a minimum, meet the requirements necessary to obtain the first renewable professional certificate
40 as provided in section 168.021;

41 (6) Provide procedures for appealing decisions made under career plans established
42 under sections 168.500 to 168.515.

43 3. The commissioner of education shall cause the department of elementary and
44 secondary education to establish guidelines for all career plans established under this section, and
45 criteria that must be met by any school district which seeks funding for its career plan.

46 4. A participating local school district may have the option of implementing a career plan
47 developed by the department of elementary and secondary education or a local plan which has
48 been developed with advice from teachers employed by the district and which has met with the
49 approval of the department of elementary and secondary education. In approving local career
50 plans, the department of elementary and secondary education may consider provisions in the plan
51 of the local district for recognition of teacher mobility from one district to another within this
52 state.

53 5. The career plans of local school districts shall not discriminate on the basis of race,
54 sex, religion, national origin, color, creed, or age. Participation in the career plan of a local
55 school district is optional, and any teacher who declines to participate shall not be penalized in
56 any way.

57 6. In order to receive funds under this section, a school district which is not subject to
58 section 162.920, RSMo, must have a total levy for operating purposes which is in excess of the
59 amount allowed in section 11(b) of article X of the Missouri Constitution; and a school district
60 which is subject to section 162.920, RSMo, must have a total levy for operating purposes which
61 is equal to or in excess of twenty-five cents on each hundred dollars of assessed valuation.

62 **7. The commissioner of education shall cause the department of elementary and**
63 **secondary education to regard a speech pathologist who holds both a valid certificate of**
64 **license to teach and a certificate of clinical competence to have fulfilled the standards**
65 **required to be placed on stage III of the career program, provided that such speech**

66 **pathologist has been employed by a public school in Missouri for at least five years and is**
67 **approved for placement at such stage III by the local school district.**

168.515. 1. Each teacher selected to participate in a career plan established under
2 sections 168.500 to 168.515, who meets the requirements of such plan, shall receive a salary
3 supplement, the state's share of which shall be distributed under section 163.031, RSMo, equal
4 to the following amounts [multiplied by the proration factor] applied to the career ladder
5 entitlement of line 15 of subsection 6 of section 163.031, RSMo:

6 (1) Career stage I teachers may receive up to an additional one thousand five hundred
7 dollars per school year;

8 (2) Career stage II teachers may receive up to an additional three thousand dollars per
9 school year;

10 (3) Career stage III teachers may receive up to an additional five thousand dollars per
11 school year.

12

13 All teachers within each stage within the same school district shall receive equal salary
14 supplements.

15 2. The state shall make payments pursuant to section 163.031, RSMo, to the local school
16 district for the purpose of reimbursing the local school district for the payment of any salary
17 supplements provided for in this section, subject to the availability of funds as appropriated each
18 year and distributed on a variable match formula which shall be based on equalized assessed
19 valuation of the district for the second preceding school year. A district's equalized assessed
20 valuation shall be multiplied by the district income factor defined in section 163.011, RSMo, and
21 shall be known as the adjusted equalized assessed valuation.

22 3. In distributing these matching funds, school districts shall be ranked by the adjusted
23 equalized assessed valuation for the second preceding school year per eligible pupil from the
24 highest to the lowest and divided into three groups. Group one shall contain the highest
25 twenty-five percent of all public school districts, groups two and three combined shall contain
26 the remaining seventy-five percent of all public school districts. The districts in groups two and
27 three shall be rank ordered from largest to smallest based on enrollment as of the last Wednesday
28 in September during the second preceding school year, group two shall contain twenty-five
29 percent of all public school districts that are larger on the enrollment based rank ordered list and
30 group three shall contain the remaining fifty percent of all public school districts. Pursuant to
31 subsection 4 of this section, districts in group one shall receive forty percent state funding and
32 shall contribute sixty percent local funding, group two shall receive fifty percent state funding
33 and shall contribute fifty percent local funding and group three shall receive sixty percent state
34 funding and shall contribute forty percent local funding.

35 4. The incremental groups are as follows:

36		Percentage	Percentage	Percentage
37	Group	of Districts	of State Funding	of Local Funding
38	1	25%	40%	60%
39	2	25%	50%	50%
40	3	50%	60%	40%

41 5. Beginning in the 1996-97 school year, any school district in any group which
 42 participated in the career ladder program in 1995-96 and paid less than the local funding
 43 percentage required by subsection 4 of this section shall increase its local share of career ladder
 44 costs by five percentage points from the preceding year until the district pays the percentage
 45 share of cost required by subsection 4 of this section, and in no case shall the local funding
 46 percentage be increased by a greater amount for any year. For any district, the state payment
 47 shall not exceed the local payment times the state percentage share divided by the local
 48 percentage share. Any district not participating in the 1995-96 school year or any district which
 49 interrupts its career ladder program for any subsequent year shall enter the program on the
 50 cost-sharing basis required by subsection 4 of this section.

51 6. Not less than every fourth year, beginning with calendar year 1988, the general
 52 assembly, through the joint committee established under section 160.254, RSMo, shall review
 53 the amount of the career pay provided for in this section to determine if any increases are
 54 necessary to reflect the increases in the cost of living which have occurred since the salary
 55 supplements were last reviewed or set.

56 7. To participate in the salary supplement program established under this section, a
 57 school district may submit to the voters of the district a proposition to increase taxes for this
 58 purpose. If a school district's current tax rate ceiling is at or above the rate from which an
 59 increase would require a two-thirds majority, the school board may submit to the voters of the
 60 district a proposition to reduce or eliminate the amount of the levy reduction resulting from
 61 section 164.013, RSMo. If a majority of the voters voting thereon vote in favor of the
 62 proposition, the board may certify that seventy-five percent of the revenue generated from this
 63 source shall be used to implement the salary supplement program established under this section.

64 8. In no case shall a school district use state funds received under this section nor local
 65 revenue generated from a tax established under subsection 7 of this section to comply with the
 66 minimum salary requirements for teachers established pursuant to section 163.172, RSMo.

67 9. Beginning in the 1996-97 school year, for any teacher who participated in the career
 68 program in the 1995-96 school year, continues to participate in the program thereafter, and
 69 remains qualified to receive career pay pursuant to section 168.510, the state's share of the
 70 teacher's salary supplement shall continue to be the percentage paid by the state in the 1995-96

71 school year, notwithstanding any provisions of subsection 4 of this section to the contrary, and
72 the state shall continue to pay such percentage of the teacher's salary supplement until any of the
73 following occurs:

74 (1) The teacher ceases his or her participation in the program; or

75 (2) The teacher suspends his or her participation in the program for any school year after
76 the 1995-96 school year. If the teacher later resumes participation in the program, the state
77 funding shall be subject to the provisions of subsection 4 of this section.

169.712. 1. Notwithstanding any provision of law to the contrary, any person duly
2 certificated under the law governing the certification of teachers in Missouri who, after
3 August 28, 1997, is first employed in a position which would otherwise qualify the person for
4 membership in the nonteacher school employee retirement system pursuant to the provisions of
5 sections 169.600 to 169.710 shall be a member of the public school retirement system pursuant
6 to the provisions of sections 169.010 to 169.141, and shall receive creditable service on a pro rata
7 basis in that system for subsequent certificated services which would otherwise have been
8 creditable in the nonteacher school employee retirement system. Any such person shall have the
9 option of being a member of the nonteacher school employee retirement system. The option
10 election must be filed with the board of trustees of the public school retirement system within
11 ninety days of first such employment following August 28, 1997.

12 2. Notwithstanding any provision of law to the contrary, any person duly certificated
13 under the law governing the certification of teachers in Missouri who, on or after August 28,
14 2003, is employed by a public school, as defined in section 169.010, for at least [seventeen]
15 **fifteen** but less than twenty hours per week on a regular basis shall be a member of the public
16 school retirement system pursuant to the provisions of sections 169.010 to 169.141, and shall
17 receive creditable service on a pro rata basis in that system. Any such person shall have the
18 option of being a member of the nonteacher school employee retirement system. The option
19 election must be filed with the board of trustees of the public school retirement system within
20 ninety days of first such employment or within ninety days of August 28, 2003, whichever later
21 occurs.

22 3. Any person who is a member of the public school retirement system or the nonteacher
23 school employee retirement system pursuant to subsection 2 of this section may purchase credit
24 in such system for service after August 28, 1991, that would have qualified such person for
25 membership in either retirement system pursuant to subsection 2 of this section had such
26 subsection been in effect prior to August 28, 2003; provided that such purchase of credit in the
27 public school retirement system shall be subject to the provisions of section 169.056 and such
28 purchase of credit in the nonteacher school employee retirement system shall be subject to the
29 provisions of section 169.655.

171.053. 1. Any school district which allows an excused absence for athletics or any other extracurricular school activity shall allow, pursuant to its written policy and with the approval of the responsible sponsoring school employee, any student enrolled in the district to use such regularly scheduled instructional time as is reasonably necessary for such student to participate in an officially sanctioned activity of such programs as, but not limited to, the Future Farmers of America Organization (FFA organization), Family, Career, and Community Leaders of America (FCCLA), 4-H, and organized competitions at the state fair; provided, if the program is not a part of the Missouri state fair or 4-H, that such program has a local chapter which is officially recognized by the student's school.

2. For the purpose of distributing state school aid pursuant to section 163.031, RSMo, a student who is participating in an officially sanctioned activity of any such program, as provided pursuant to subsection 1 of this section, shall be considered to be attending regularly scheduled instruction in the district and such hours of participation occurring during the regular school day shall be included in the district's calculation of average daily attendance, as defined in section 163.011, RSMo.

302.272. 1. No person shall operate any school bus owned by or under contract with a public school or the state board of education unless such driver has qualified for a school bus permit under this section and complied with the pertinent rules and regulations of the department of revenue. A school bus permit shall be issued to any applicant who meets the following qualifications:

- (1) The applicant has a valid state license issued under this chapter or has a license valid in any other state;
- (2) The applicant is at least twenty-one years of age;
- (3) The applicant has passed a medical examination, including vision and hearing tests, as prescribed by the director of revenue and, if the applicant is at least seventy years of age, the applicant shall pass the medical examination annually to maintain or renew the permit; and
- (4) The applicant has successfully passed an examination for the operation of a school bus as prescribed by the director of revenue. The examination shall include, but need not be limited to, a written skills examination of applicable laws, rules and procedures, and a driving test in the type of vehicle to be operated. The test shall be completed in the appropriate class of vehicle to be driven. For purposes of this section classes of school buses shall comply with the Commercial Motor Vehicle Safety Act of 1986 (Title XII of Pub. Law 99-570).

2. Except as otherwise provided in this section, a school bus permit shall be renewed every three years and shall require the applicant to provide a medical examination as specified in subdivision (3) of subsection 1 of this section and to successfully pass a written skills examination as prescribed by the director of revenue in consultation with the department of

22 elementary and secondary education. If the applicant is at least seventy years of age, the school
23 bus permit shall be renewed annually, and the applicant shall successfully pass the examination
24 prescribed in subdivision (4) of subsection 1 of this section prior to receiving the renewed
25 permit, **provided that the background check, as contemplated by subsections 5 and 6 of this**
26 **section, shall continue to be conducted on a renewing applicant's previously established**
27 **three-year renewal schedule.** The director may waive the written skills examination on
28 renewal of a school bus permit upon verification of the applicant's successful completion within
29 the preceding twelve months of a training program which has been approved by the director in
30 consultation with the department of elementary and secondary education and which is at least
31 eight hours in duration with special instruction in school bus driving.

32 3. The fee for a new or renewed school bus permit shall be three dollars.

33 4. Upon the applicant's completion of the requirements of subsections 1, 2 and 3 of this
34 section, the director of revenue shall issue a temporary school bus permit to the applicant until
35 such time as a permanent school bus permit shall be issued following the record clearance as
36 provided in subsection 6 of this section.

37 5. The director of revenue, to the best of the director's knowledge, shall not issue or
38 renew a school bus permit to any applicant:

39 (1) Whose driving record shows that such applicant's privilege to operate a motor vehicle
40 has been suspended, revoked or disqualified or whose driving record shows a history of moving
41 vehicle violations;

42 (2) Who has pled guilty to or been found guilty of any felony or misdemeanor for
43 violation of drug regulations as defined in chapter 195, RSMo; of any felony for an offense
44 against the person as defined by chapter 565, RSMo, or any other offense against the person
45 involving the endangerment of a child as prescribed by law; of any misdemeanor or felony for
46 a sexual offense as defined by chapter 566, RSMo; of any misdemeanor or felony for prostitution
47 as defined by chapter 567, RSMo; of any misdemeanor or felony for an offense against the
48 family as defined in chapter 568, RSMo; of any felony or misdemeanor for a weapons offense
49 as defined by chapter 571, RSMo; of any misdemeanor or felony for pornography or related
50 offense as defined by chapter 573, RSMo; or of any similar crime in any federal, state, municipal
51 or other court of similar jurisdiction of which the director has knowledge;

52 (3) Who has pled guilty to or been found guilty of any felony involving robbery, arson,
53 burglary or a related offense as defined by chapter 569, RSMo; or any similar crime in any
54 federal, state, municipal or other court of similar jurisdiction within the preceding ten years of
55 which the director has knowledge.

56 6. The department of social services or the Missouri highway patrol, whichever has
57 access to applicable records, shall provide a record of clearance or denial of clearance for any

58 applicant for a school bus permit for the convictions specified in subdivisions (2) and (3) of
59 subsection 5 of this section. The Missouri highway patrol in providing the record of clearance
60 or denial of clearance for any such applicant is authorized to obtain from the Federal Bureau of
61 Investigation any information which might aid the Missouri highway patrol in providing such
62 record of clearance or denial of clearance. The department of social services or the Missouri
63 highway patrol shall provide the record of clearance or denial of clearance within thirty days of
64 the date requested, relying on information available at that time, except that the department of
65 social services or the Missouri highway patrol shall provide any information subsequently
66 discovered to the department of revenue.

**Section 1. The department of elementary and secondary education shall not
2 reimburse a school district for more than one A+ program coordinator per one thousand
3 two hundred fifty students; however a school with up to one thousand five hundred
4 students shall be reimbursed for only one A+ program coordinator.**

Section B. Because immediate action is necessary to aid school finances the repeal and
2 reenactment of sections 163.031 and 168.515 of section A of this act is deemed necessary for the
3 immediate preservation of the public health, welfare, peace, and safety, and is hereby declared
4 to be an emergency act within the meaning of the constitution, and the repeal and reenactment
5 of sections 163.031 and 168.515 of section A of this act shall be in full force and effect on July
6 1, 2004, or upon its passage and approval, whichever later occurs.