#### FIRST REGULAR SESSION

#### HOUSE COMMITTEE SUBSTITUTE FOR

# **HOUSE BILL NO. 1272**

## 94TH GENERAL ASSEMBLY

Reported from the Special Committee on Urban Education Reform April 26, 2007 with recommendation that House Committee Substitute for House Bill No. 1272 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

2671L.03C

## **AN ACT**

To repeal sections 162.626, 167.029, and 167.296, RSMo, and to enact in lieu thereof twelve new sections relating to the metropolitan school district.

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

Section A. Sections 162.626, 167.029, and 167.296, RSMo, are repealed and twelve new

- 2 sections enacted in lieu thereof, to be known as sections 135.099, 161.660, 162.627, 162.1150,
- 3 162.1153, 162.1156, 162.1159, 162.1162, 162.1165, 162.1168, 167.029, and 167.296, to read
- 4 as follows:

5

### 135.099. 1. As used in this section, the following terms mean:

- 2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or real property solely for the benefit of extended day child care programs in a metropolitan school district;
  - (2) "Department", the department of elementary and secondary education;
- 6 (3) "Director", the director of the department of revenue;
- 7 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by
- 8 such taxpayer under the provisions of chapters 143, 147, 148, and 153, RSMo, excluding
- 9 sections 143.191 to 143.265, RSMo, and related provisions, and in the case of an individual
- 10 taxpayer, any liability incurred by such taxpayer under the provisions of chapter 143,
- 11 RSMo, excluding sections 143.191 to 143.265, RSMo, and related provisions;

- (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, RSMo, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state under the provisions of chapter 148, RSMo, or an express company which pays an annual tax on its gross receipts in this state under chapter 153, RSMo, or an individual subject to the state income tax imposed by the provisions of chapter 143, RSMo.
- 2. For all tax years beginning on or after January 1, 2008, a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of such taxpayer's contribution to the department for deposit in the extended day child care fund provided under section 167.296, RSMo, to be used for the benefit of extended day child care programs in a metropolitan school district.
- 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.
- 4. Upon receipt of a contribution, the department shall issue the taxpayer making such contribution a tax credit certificate detailing the amount of the contribution or its fair market value, and the date of such contribution. The department shall provide information to the director concerning the identity of each taxpayer making a contribution who is claiming a tax credit under this section and the amount of such contribution.
- 5. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing in any one fiscal year shall not exceed two million dollars. Tax credits shall be issued in the order contributions are received.
- 6. The department and the department of revenue may promulgate rules necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly under chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul

50

51

55

56

a rule are subsequently held unconstitutional, then the grant of rulemaking authority and
any rule proposed or adopted after August 28, 2007, shall be invalid and void.

- 7. Under section 23.253, RSMo, of the Missouri sunset act:
- (1) Any new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and
- 52 (2) If such program is reauthorized, the program authorized under this section 53 shall automatically sunset twelve years after the effective date of the reauthorization of this 54 section; and
  - (3) This section shall terminate on September first of the calendar year immediately following the calendar year in which a program authorized under this section is sunset.

161.660. The department of elementary and secondary education shall develop, by July 1, 2008, a teacher assessment program for use by all school districts within this state. Such assessment shall be a comprehensive, performance-based evaluation of the teacher. 4 The assessment may include the use of the Praxis Examination, the National Teacher Examination, or other existing assessment tools. Multiple assessments shall be developed 5 in order to assess each teacher according to the specific subject area taught by the teacher. The department may promulgate rules in order to effectuate the provisions of this section, including objective measures to determine whether a teacher demonstrates a minimum level of competency in the teacher's subject area, as well as whether a teacher demonstrates 10 a high level of competency in the teacher's subject area based on a score of ninety percent 11 or better on the assessment. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, 13 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to 15 chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule 16 17 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void. 18

162.627. 1. There is hereby established in the metropolitan school district a program of multiyear teacher-student groupings. The program shall seek to improve student learning by providing a long-term relationship between the student and a particular teacher. The board shall provide for grade-level groups of first through third grade, fourth through sixth grade, seventh through ninth grade, and tenth through twelfth grade throughout which classes shall maintain the same group of students with the same teacher for multi-year periods. The board shall establish a policy and a procedure to review and act upon requests by a student or the parent of a student that the student be

10

11

1213

14

15

16 17

18

19 20

21

22

23

2425

26

2829

9 transferred to a different class with a different teacher. All policies established by the 10 board under this section shall be subject to review and approval of the state board of 11 education.

- 2. The provisions of section 23.253, RSMo, shall not apply to this section.
- 13 **162.1150.** Sections 162.1150 to 162.1168 shall be known and may be cited as the 14 "Metropolitan School District Improvement Act".
- 162.1153. 1. In order to attract and retain teachers with demonstrable or measurable qualities, experience, or credentials that are exceptionally well suited to the metropolitan school district's needs for academic improvement in the areas of math, science, special education, and English as a second language, the metropolitan school district shall provide an increased starting salary for teachers that work in the areas of math, science, special education, and English as a second language. Such increase shall be between three thousand dollars and five thousand dollars more than the starting salary for a teacher in the district, as determined by the district.
  - 2. In order to attract and retain teachers who are willing to submit to assessment in exchange for agreed upon salary increases and modifications, any applicant for a teaching position at a school within the district or a teacher currently employed as such within the district may enter into an agreement with the district that sets forth the following:
    - (1) The starting or current salary of the teacher;
  - (2) The potential salary incentives and increases that the teacher shall receive, provided that the teacher meets certain performance evaluation standards as provided in subsection 3 of this section;
  - (3) The ability of the school district to take disciplinary action, including dismissal, against the teacher if such teacher does not meet the performance evaluation standards as provided in subsection 3 of this section; and
  - (4) The consent of the teacher to opt out of the tenure provisions of section 168.221, RSMo.
  - 3. The school district shall create performance evaluation standards to be applied when evaluating teachers subject to the provisions of subsection 2 of this section. Such standards shall include an annual evaluation of the teacher by a peer review group. For purposes of this subdivision, the term "peer review group" shall include the principal of the school where the teacher is employed, one or more teachers employed in the school where the teacher is employed, one or more students attending the school where the teacher is employed, and one or more parents of students attending the school where the teacher is employed. The principal shall appoint such teacher, student, and parent members of the

36

37

39

40

41 42

43

44

45

46 47

48

2

7 8

9

10

peer review group. The standards shall also include a determination that the scores of students taught by the teacher on the statewide assessment as provided in section 160.518, RSMo, over the course of two years are improving to an acceptable degree, as determined by the school district.

4. Salary increases provided by this section shall be paid from the "Metropolitan School District Improvement Fund" which is hereby created as a special trust fund in the state treasury. Moneys in the fund shall consist of any grant, gift, or contribution from any and all public and private sources whatsoever that is designated for such purpose, including funds appropriated from the general revenue fund. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180, RSMo. The department of elementary and secondary education shall administer the fund and shall ensure that money in the fund is used only for the salaries of teachers subject to the provisions of this section, and for the purposes set forth in sections 162.1156 and 162.1165. Notwithstanding the provisions of section 33.080, RSMo, to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

162.1156. 1. The department of elementary and secondary education shall annually assess the percentage increase or decrease in the scores of each school within a metropolitan school district on the statewide assessment as provided in section 160.518, RSMo. The department shall then annually compile a list of the top ten percent of schools in terms of an increase in the scores on the statewide assessment as compared to the previous year. The following personnel in each of the schools determined by the department to be in the top ten percent shall receive the following one-time bonuses:

- (1) The principal of the school shall receive two thousand dollars;
- (2) The assistant principal of the school shall receive one thousand five hundred dollars; and
- 11 (3) Each employee of the school, except for the principal, the assistant principal and 12 every teacher, shall receive five hundred dollars.
- In addition, the school shall receive a one-time stipend of two thousand dollars to be used for the purchase of textbooks or other educational materials, as determined by the principal.
- 2. Moneys from the metropolitan school district improvement fund created in section 162.1153 shall be used to pay for the bonuses and stipends required by subsection 1 of this section.

4

7

8

10

11

12

13

1415

16 17

18

3

5

7

8

shall be assessed every six weeks to determine the student's proficiency in the knowledge, skills, and competencies adopted by the state board of education under subsection 1 of section 160.514, RSMo. The state board of education shall develop assessment tools to be administered by the metropolitan school district. Any student that fails to demonstrate the proficiency required by this section shall receive remedial tutoring from the school district until such time as the student has demonstrated the proficiency required by this section. Moneys from the metropolitan school district investment fund created in section 162.1153 shall be used to pay for the cost of such remedial tutoring.

- 162.1162. 1. Beginning August 28, 2008, the metropolitan school district shall require each teacher to be assessed every five years to determine the competency of the teacher in the teacher's subject area or areas.
- 2. The school district shall utilize one or more of the assessments developed by the department of elementary and secondary education in section 161.660, RSMo. The school district shall notify each teacher of the results of the assessment by certified mail sent to the teacher.
- 3. Any teacher who fails to demonstrate a minimum level of competency, based on the results of the assessment required by subsection 1 of this section, shall be allowed to retake the assessment no more than one time within three months after receiving notification of the failure.
- 4. Notwithstanding the provisions of sections 168.221, RSMo and 168.281, RSMo, a teacher that fails to demonstrate a minimum level of competency shall not be considered a permanent employee of the school district.
- 5. A teacher that demonstrates a high level of competency, as determined by rules promulgated by the department of elementary and secondary education under authority granted in section 161.660, RSMo, shall be exempt from the assessment required by this section for the next five-year period.
- 162.1165. 1. The metropolitan school district shall establish one or more alternative education schools for students within the district who cannot be adequately served in a traditional classroom because of chronic truancy, behavioral problems, or developmental delays. Students of the district who would otherwise be provided alternative education services based on their demonstrated disruptive behavior under section 167.164, RSMo, shall be sent to an alternative education school established by this section.
- 2. The alternative education schools shall be staffed by personnel and teachers who have received training on how to address the needs of students attending the alternative education schools. The curriculum of the schools shall stress the core academic disciplines,

1415

16

17

18 19

3

5

as well as activities designed to enable the student to better perform in the traditional classroom and to transition students back to the traditional classroom when merited by their performance.

- 3. The school district shall work with the departments of mental health and social services to evaluate students attending an alternative education school in order to determine the specific needs of each student.
- 4. The alternative education schools required by this section shall receive funding from the metropolitan school district improvement fund created in section 162.1153 and the school district may apply for an alternative education grant under section 167.335, RSMo.

162.1168. The state shall, subject to appropriations, provide fully subsidized child care at a child facility licensed under the provisions of sections 210.201 to 210.259, RSMo, for each child residing with the metropolitan school district who is at least three years of 4 age until such time as the child enters kindergarten and who is eligible for a reduced lunch price under the National School Act, 42 U.S.C. Section 1751, et seq., as amended. The 5 department of elementary and secondary education shall promulgate rules to effect uate the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are 10 11 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule 12 are subsequently held unconstitutional, then the grant of rulemaking authority and any 13 14 rule proposed or adopted after August 28, 2007, shall be invalid and void.

167.029. A public school district in any city not within a county shall [determine whether] adopt a dress code policy requiring pupils to wear a school uniform [is appropriate] at [any] every school [or schools] within such district[, and if it is so determined, shall adopt such a policy]. The school district may determine the style and color of the school uniform. In addition to any other enterprise created as part of the vocational enterprise program under sections 217.550 to 217.595, RSMo, the department of corrections shall provide school uniforms to the public school district under the provisions of this section.

167.296. 1. The "Extended Day Child Care Fund" is established in the state treasury and shall be administered by the department of elementary and secondary education at the direction of the state board of education. The fund shall consist of moneys appropriated annually by the general assembly from general revenue to the fund [and], any moneys paid into the state treasury and required by law to be credited to the fund, and charitable donations made to the

10

11 12

13

14

17

2

3

4

5

6

7 8

9

10

11

12

13 14

15

16

17

department of elementary and secondary education for deposit in the extended day child 7 care fund.

- 2. Moneys in the fund shall be used for grants to districts to provide extended day child care programs according to the provisions of sections 167.290 to 167.310.
- 3. Any charitable donations received and deposited in this fund under this section, for which a tax credit was issued under the provisions of section 135.099, shall only be allocated for extended day child care programs in a metropolitan school district.
- 4. Expenses of the department of elementary and secondary education in administering the program shall be paid from the fund.
- 15 [4.] 5. Any unexpended balance in the fund at the end of each fiscal year shall be exempt from the provisions of section 33.080, RSMo, relating to the transfer of unexpended balances 16 to the general revenue fund.

[162.626. There is hereby established in the metropolitan school district a pilot program of multiyear teacher-student groupings. The program shall be implemented in no fewer than ten schools in the district and shall be implemented for no less than five consecutive years in each of such schools and in at least six classrooms in each of such schools. Pupil-teacher ratios in such classrooms shall not exceed twenty-five to one. The program shall seek to improve student learning by providing a long-term relationship between the student and a particular teacher. The board shall develop a plan for grade-level groups throughout which participating classes shall maintain the same group of students with the same teacher for multiyear periods. The grade-level groups shall include at least two grade levels and shall not exceed four grade levels in the same group. The plan shall provide for voluntary participation by students. The board shall establish a policy and a procedure to review and act upon requests by a student or the parent of a student that the student be transferred to a different class with a different teacher. All policies and plans established by the board pursuant to this section shall be subject to review and approval of the state board of education.1