

SECOND REGULAR SESSION  
[PERFECTED]  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1704**  
**94TH GENERAL ASSEMBLY**

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Reported from the Special Committee on Rural Community Development March 3, 2008 with recommendation that House Committee Substitute for House Bill No. 1704 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

Reported from the Committee on Rules March 5, 2008 with recommendation that House Committee Substitute for House Bill No. 1704 Do Pass with no time limit for debate.

Taken up for Perfection April 23, 2008. House Committee Substitute for House Bill No. 1704 ordered Perfected and printed.

D. ADAM CRUMBLISS, Chief Clerk

3814L.02P

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**AN ACT**

To repeal section 163.044, RSMo, and to enact in lieu thereof one new section relating to grants for small schools.

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

Section A. Section 163.044, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 163.044, to read as follows:

163.044. 1. Beginning with the 2007 fiscal year and each subsequent fiscal year, the general assembly shall appropriate [fifteen] **twenty** million dollars to be directed in the following manner to school districts with an average daily attendance of three hundred fifty students or less in the school year preceding the payment year:

(1) [Ten] **Fifteen** million dollars shall be distributed to the eligible districts in proportion to their average daily attendance; and

(2) Five million dollars shall be directed to the eligible districts that have an operating levy for school purposes in the current year equal to or greater than the performance levy **and eligible districts that had an operating levy for school purposes equal to or greater than the performance levy prior to general reassessment which required reducing the operating levy for school purposes below the performance levy.** A tax-rate-weighted average daily

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

12 attendance shall be calculated for each eligible district in proportion to its operating levy for  
13 school purposes for the current year divided by the performance levy with that result multiplied  
14 by the district's average daily attendance in the school year preceding the payment year. The total  
15 appropriation pursuant to this subdivision shall then be divided by the sum of the  
16 tax-rate-weighted average daily attendance of the eligible districts, and the resulting amount per  
17 tax-rate-weighted average daily attendance shall be multiplied by each eligible district's  
18 tax-rate-weighted average daily attendance to determine the amount to be paid to each eligible  
19 district.

20 **2. Beginning with the 2009 fiscal year and each subsequent fiscal year, the general**  
21 **assembly shall appropriate an amount to be directed in the following manner to school**  
22 **districts with an average daily attendance of three hundred fifty-one to and including four**  
23 **hundred forty-nine students in the school year preceding the payment year, so that a school**  
24 **district with an average daily attendance of three hundred fifty-one shall receive**  
25 **ninety-nine percent of the amount per average daily attendance distributed under**  
26 **subdivision (1) of subsection 1 of this section and the percentage factor shall decrease by**  
27 **one per each additional student in average daily attendance as average daily attendance**  
28 **increases to and including four hundred forty-nine.**

29 **3.** The payment under this section shall not be transferred to the capital projects fund.

30 **[3.] 4.** Except as provided in subsection **[2] 3** of this section, districts receiving payments  
31 under this section may use the moneys for, including but not limited to, the following:

- 32 (1) Distance learning;  
33 (2) Extraordinary transportation costs;  
34 (3) Rural teacher recruitment; and  
35 (4) Student learning opportunities not available within the district.

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