

HCS HB 1704 -- GRANTS FOR SMALL SCHOOLS

SPONSOR: Wilson, 119 (Wallace)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Rural Community Development by a vote of 10 to 0.

This substitute increases the overall appropriation amount for small school grants from \$15 million to \$20 million with \$15 million being distributed to eligible districts in proportion to their average daily attendance. Beginning with Fiscal Year 2009, the substitute also allows schools that have an average daily attendance of 351 to 449 students to receive a flat amount per student that decreases proportionately as the average daily attendance increases.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$8,421,905 in FY 2009, FY 2010, and FY 2011. No impact on Other State Funds in FY 2009, FY 2010, and FY 2011.

PROPONENTS: Supporters say that the small schools grant is one of the better features of the new formula because it recognizes the fixed overhead expenses of small schools. Currently, if a school has an average daily attendance of 350 students, it receives its full share of the grant money. However, if a school has an average daily attendance of 351, it gets nothing. This creates a great disparity between schools that can sometimes be neighbors. The bill will fix this problem by allowing a school with an average daily attendance of 351 to receive 99% of the grant and decrease by 1% for each additional student who attends school on average daily, up to 449. The current allocation method will be more fair and aid smaller schools which are struggling.

Testifying for the bill were Representatives Wallace and Whorton; Missouri Council of School Administrators; Penney Rector, School Administrators Coalition; Missouri School Boards Association; Missouri National Education Association; Missouri State Teachers Association; Sid Doerhoff, St. Elizabeth R-IV School District; Dr. Chris Berger, Park-III School District; and Missouri Farm Bureau.

OPPONENTS: There was no opposition voiced to the committee.