

SECOND REGULAR SESSION

# HOUSE BILL NO. 1946

## 96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE NETH.

4157L.01I

D. ADAM CRUMBLISS, Chief Clerk

### AN ACT

To amend chapter 164, RSMo, by adding thereto one new section relating to school district bonded indebtedness.

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

Section A. Chapter 164, RSMo, is amended by adding thereto one new section, to be known as section 164.305, to read as follows:

- 164.305. 1. Districts that meet the following criteria may seek to increase their capacity for general obligation bonded indebtedness, in accordance with article VI, section 26(b) of the constitution, to an amount greater than fifteen percent but not more than twenty percent of the district's assessed valuation under subsection 2, 3, or 4 of this section:**
- (1) The district is seeking funds for the construction of facilities directly related to the delivery of the district's education program;**
- (2) The district is not currently financially stressed, as defined in section 161.520, nor has it been listed as financially stressed in the most recent five-year period; and**
- (3) At least fourteen calendar days before the board of education holds a vote to place a question on the ballot that would require increasing the general obligation bond indebtedness to an amount greater than fifteen percent but not more than twenty percent of the district's assessed valuation, the board shall post notice of a public hearing for the purpose of explaining the proposal and receiving public input, to be held not less than seven calendar days before any action to place an election on the ballot.**
- 2. The district is growing rapidly, with a ten-year average of annual growth in average daily attendance of two percent or more, and also meets each of the following criteria:**

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.

18       (1) The rate of growth shall correspond with the percentage of allowable  
19 indebtedness as follows:

- 20       (a) Two percent or more: Sixteen percent indebtedness;  
21       (b) Two and five-tenths percent or more: Seventeen percent indebtedness;  
22       (c) Three percent or more: Eighteen percent indebtedness;  
23       (d) Three and five-tenths percent or more: Nineteen percent indebtedness;  
24       (e) Four percent or more: Twenty percent indebtedness; and

25       (2) The purpose of the funds shall be limited to the construction of facilities that  
26 will be used as classroom space or the upgrading or modernization of existing educational  
27 facilities used for instructional purposes.

28       3. The district's most recent assessed valuation is less than one hundred million  
29 dollars, and also meets each of the following criteria:

30       (1) The district's assessed valuation per average daily attendance is no greater than  
31 the median assessed valuation per average daily attendance;

32       (2) The total assessed valuation shall correspond with the percentage of allowable  
33 indebtedness as follows:

- 34       (a) Less than twenty million dollars: Twenty percent;  
35       (b) Less than forty million dollars: Nineteen percent;  
36       (c) Less than sixty million dollars: Eighteen percent;  
37       (d) Less than eighty million dollars: Seventeen percent;  
38       (e) Less than one hundred million dollars: Sixteen percent.

39       4. The district's most recent assessed valuation is more than one hundred million  
40 dollars, but the district's assessed valuation per average daily attendance is no greater than  
41 the median assessed valuation per average daily attendance, and the assessed valuation per  
42 average daily attendance shall correspond with the percentage of allowable indebtedness  
43 as follows:

- 44       (1) Less than thirty thousand dollars: Twenty percent;  
45       (2) Less than forty thousand dollars: Nineteen percent;  
46       (3) Less than fifty thousand dollars: Eighteen percent;  
47       (4) Less than sixty thousand dollars: Seventeen percent;  
48       (5) Less than seventy thousand dollars: Sixteen percent.

49       5. For districts qualifying under subsections 3 and 4 of this section, verification  
50 shall be required from the district's bonding company and entered on the record of the  
51 public hearing that the district does not have the capacity to:

52       (1) Complete a major upgrading or modernization of existing facilities that are at  
53 least thirty years old and are currently used for instructional purposes; or

54           **(2) Complete a major project to construct new facilities that will be used for**  
55 **instructional purposes and will replace existing facilities that are at least thirty years old**  
56 **or that have been severely damaged or destroyed by fire or other natural disasters.**

57           **6. The provisions of this section shall become effective upon passage and approval**  
58 **of a constitutional amendment by a vote of the people increasing the indebtedness**  
59 **limitation imposed under article VI, section 26(b) of the constitution.**

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