

## SCS HCS HB 1689 -- ELEMENTARY AND SECONDARY EDUCATION

The bill changes the laws regarding elementary and secondary education.

### EARLY CHILDHOOD EDUCATION (Sections 160.053 - 163.055 and 163.018, RSMo)

If a school district operates a prekindergarten program, a child will be eligible for admission only if the child has reached the age of three before August 1 of the school year beginning in that calendar year.

Students between the ages of three and five who are eligible for free and reduced lunch and attend an early childhood education program that is operated by and in a district or by a charter school that has declared itself as a local educational agency providing full-day kindergarten and that meets standards established by the State Board of Education must be included in the district's or charter school's calculation of average daily attendance used in determining its state funding through the school foundation formula. The total number of three and five year olds included in the district's or charter school's calculation of average daily attendance must not exceed 4% of the total number of pupils who are eligible for free and reduced lunch between ages three and 18 who are included in its average daily attendance. This provision will become applicable in the 2015-2016 school year for districts that have been declared unaccredited and remain unaccredited as of July 1, 2015. For any district that becomes unaccredited after July 1, 2015, this provision will be applicable immediately upon the loss of accreditation. For any district that becomes provisionally accredited after July 1, 2016, this provision will become applicable beginning in the 2016-2017 school year or immediately upon the declaration of provisionally accredited, whichever occurs later. For all other districts, this provision must become effective in the school year after the school year in which the foundation formula is fully funded and will remain in effect in any succeeding year, no matter what level of funding is provided. These provisions do not require school attendance beyond what is required under the state's compulsory attendance law and do not change the provisions regarding kindergarten attendance age.

### FUNDING FORMULA (Sections 163.011 and 163.031)

If a school district participates in the United States Department of Agriculture's Community Eligibility Option, the calculation used to determine free and reduced lunch pupil count is changed to the percentage of free and reduced lunch students calculated as eligible on the last Wednesday in January of the most recent school

year that included household applications multiplied by the district's average daily attendance figure.

Currently, the calculation of local effort uses a school district's assessed valuation figure from 2004. When a change in a school district's boundary lines occurs, the Department of Elementary and Secondary Education must adjust the affected district's local effort calculation based on the land area adjustments from the boundary line change using 2004 assessed valuation data.

Currently, any district that has met all of the performance standards and indicators in the Missouri School Improvement Program is considered a performance district for purposes of calculating state aid. Beginning in Fiscal Year 2019, the number of performance districts cannot exceed 25% of all school districts.

Current law allows the state adequacy target to be adjusted to accommodate available appropriations beginning on July 1, 2012, which was the completion date of the phase-in of the formula. This adjustment method is modified so that it is used to modify state aid payments to formula districts when the formula appropriation is not fully funded. Payments to hold-harmless districts must not be modified. Provisions regarding the adjustment of the state adequacy target during the phase-in of the formula are repealed. The department must adjust the state adequacy target to accommodate the appropriation level if the amount of funding appropriated for the foundation formula is not sufficient to fully fund all school districts.

The bill becomes effective July 1, 2015.