

FIRST REGULAR SESSION

# HOUSE BILL NO. 1473

## 103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MILLER.

3019H.011

JOSEPH ENGLER, Chief Clerk

### AN ACT

To repeal sections 135.714, 151.150, 163.011, and 166.131, RSMo, and to enact in lieu thereof four new sections relating to gifted education pupils.

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

Section A. Sections 135.714, 151.150, 163.011, and 166.131, RSMo, are repealed and  
2 four new sections enacted in lieu thereof, to be known as sections 135.714, 151.150, 163.011,  
3 and 166.131, to read as follows:

135.714. 1. Each educational assistance organization shall:

2 (1) Notify the state treasurer of such organization's intent to provide scholarship  
3 accounts to qualified students;

4 (2) Demonstrate to the state treasurer that such organization is exempt from federal  
5 income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended;

6 (3) Provide a state treasurer-approved receipt to taxpayers for contributions made to  
7 the organization;

8 (4) Ensure that grants are distributed to scholarship accounts of qualified students in  
9 the following order:

10 (a) Qualified students who received a scholarship grant in the previous school year;

11 (b) Qualified students who are siblings of qualified students who will receive a  
12 scholarship grant in the current school year;

13 (c) Qualified students that have an approved "individualized education [~~plan~~]  
14 **program**" (IEP) developed under the federal Individuals with Disabilities Education Act  
15 (IDEA), 20 U.S.C. Section 1400, et seq., as amended, or who have been diagnosed with  
16 dyslexia, as the term "dyslexia" is defined in section 633.420;

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.

17 (d) Qualified students who are eligible for free lunch as approved by the department  
18 of elementary and secondary education in accordance with federal regulations and who reside  
19 in an unaccredited or provisionally accredited school district;

20 (e) Qualified students who are eligible for reduced price lunch as approved by the  
21 department of elementary and secondary education in accordance with federal regulations and  
22 who reside in an unaccredited or provisionally accredited school district;

23 (f) Qualified students who are eligible for free lunch as approved by the department  
24 of elementary and secondary education in accordance with federal regulations;

25 (g) Qualified students who are eligible for reduced price lunch as approved by the  
26 department of elementary and secondary education in accordance with federal regulations;

27 (h) Qualified students who are active duty military dependents who have relocated to  
28 Missouri and are enrolling in a school in the state for the first time; and

29 (i) All other qualified students;

30 (5) Ensure that:

31 (a) One hundred percent of such organization's revenues from interest or investments  
32 is spent on scholarship accounts;

33 (b) At least ninety percent of such organization's revenues from qualifying  
34 contributions is spent on scholarship accounts; and

35 (c) Marketing and administrative expenses do not exceed the following limits of such  
36 organization's remaining revenue from contributions:

37 a. Ten percent for the first two hundred fifty thousand dollars;

38 b. Eight percent for the next five hundred thousand dollars; and

39 c. Three percent thereafter;

40 (6) (a) Distribute scholarship account payments either four times per year or in a  
41 single lump sum at the beginning of the year as requested by the parent of a qualified student,  
42 based on the state adequacy target as defined in section 163.011 and calculated by the  
43 department of elementary and secondary education, subject to the following total grant  
44 amount limits:

45 a. For a qualified student who meets the criteria to be included in a school district's  
46 limited English proficiency pupil count as set forth in subdivision ~~[(8)]~~ (9) of section 163.011,  
47 not more than one hundred sixty percent of the state adequacy target;

48 b. For a qualified student who is eligible for free or reduced price lunch as approved  
49 by the department of elementary and secondary education in accordance with federal  
50 regulations, not more than one hundred twenty-five percent of the state adequacy target;

51 c. For a qualified student who has an approved individualized education ~~[plan]~~  
52 **program** developed under the federal Individuals with Disabilities Education Act (IDEA), 20

53 U.S.C. Section 1400, et seq., as amended, not more than one hundred seventy-five percent of  
54 the state adequacy target; and

55 d. For all other qualified students, not more than the state adequacy target;

56 (b) Scholarship account payments distributed under this subdivision shall be in the  
57 form of a deposit into the scholarship account of the qualified student;

58 (7) Provide the state treasurer, upon request, with criminal background checks on all  
59 such organization's employees and board members and exclude from employment or  
60 governance any individual who might reasonably pose a risk to the appropriate use of  
61 contributed funds;

62 (8) Demonstrate such organization's financial accountability by:

63 (a) Submitting to the state treasurer annual audit financial statements by a certified  
64 public accountant within six months of the end of the educational assistance organization's  
65 fiscal year; and

66 (b) Having an auditor certify that the report is free of material misstatements; and

67 (9) Ensure that participating students take the state achievement tests or nationally  
68 norm-referenced tests that measure learning gains in math and English language arts, and  
69 provide for value-added assessment, in grades that require testing under the statewide  
70 assessment system set forth in section 160.518;

71 (10) Allow costs of the testing requirements to be covered by the scholarships  
72 distributed by the educational assistance organization;

73 (11) Provide the parents of each student who was tested with a copy of the results of  
74 the tests on an annual basis, beginning with the first year of testing;

75 (12) Provide the test results to the state treasurer, the department of elementary and  
76 secondary education, and the board established in section 135.715 on an annual basis,  
77 beginning with the first year of testing;

78 (13) Report student information that would allow the state treasurer, the department  
79 of elementary and secondary education, and the board established in section 135.715 to  
80 aggregate data by grade level, gender, family income level, and race;

81 (14) Provide rates of high school graduation, college attendance, and college  
82 graduation for participating students to the state treasurer, the department of elementary and  
83 secondary education, and the board established in section 135.715 in a manner consistent with  
84 nationally recognized standards;

85 (15) Provide to the state treasurer, the department of elementary and secondary  
86 education, and the board established in section 135.715 the results from an annual parental  
87 satisfaction survey, including information about the number of years that the parent's child  
88 has participated in the scholarship program. The annual satisfaction survey shall ask parents  
89 of scholarship students to express:

90 (a) Their level of satisfaction with the child's academic achievement, including  
91 academic achievement at the schools the child attends through the scholarship program versus  
92 academic achievement at the school previously attended;

93 (b) Their level of satisfaction with school safety at the schools the child attends  
94 through the scholarship program versus safety at the schools previously attended;

95 (16) Demonstrate such organization's financial viability, if such organization is to  
96 receive donations of fifty thousand dollars or more during the school year, by filing with the  
97 state treasurer before the start of the school year a surety bond payable to the state in an  
98 amount equal to the aggregate amount of contributions expected to be received during the  
99 school year or other financial information that demonstrates the financial viability of the  
100 educational assistance organization.

101 2. The annual audit required under this section shall include:

102 (1) The name and address of the educational assistance organization;

103 (2) The name and address of each qualified student for whom a parent opened a  
104 scholarship account with the organization;

105 (3) The total number and total dollar amount of contributions received during the  
106 previous calendar year; and

107 (4) The total number and total dollar amount of scholarship accounts opened during  
108 the previous calendar year.

109 3. The state treasurer shall:

110 (1) Ensure compliance with all student privacy laws for data in the state treasurer's  
111 possession;

112 (2) Collect all test results;

113 (3) Provide the test results and associated learning gains to the public via a state  
114 website after the third year of test and test-related data collection. The findings shall be  
115 aggregated by the students' grade level, gender, family income level, number of years of  
116 participation in the scholarship program, and race; and

117 (4) Provide graduation rates to the public via a state website after the third year of test  
118 and test-related data collection.

119 4. The state treasurer shall cause the following information to be posted on the state  
120 treasurer's website annually, provided that no personally identifiable information of any  
121 student is released:

122 (1) The number of students who have been awarded a scholarship to date and the  
123 number of students who have been awarded a scholarship in the current school year;

124 (2) The number of scholarship recipients enrolled in each qualified school, along with  
125 the number of recipients who qualify for free and reduced price lunch and the number of

126 recipients who receive special education services and the type of special education services  
127 received. Such information shall be broken down by school year and the total to date;

128 (3) The total number of scholarship recipients who are eligible for free and reduced  
129 price lunch as approved by the department of elementary and secondary education in  
130 accordance with federal guidelines, broken down by school year and the total to date;

131 (4) The total number of scholarship recipients who have an individualized education  
132 ~~plan~~ **program** (IEP) developed under the federal Individuals with Disabilities Education  
133 Act, 20 U.S.C. Section 1400, et seq., as amended, broken down by school year and the total to  
134 date;

135 (5) The number of scholarship recipients who have received a grant from each  
136 educational assistance organization, broken down by school year and the total to date;

137 (6) The student test scores required to be posted online pursuant to subdivision (3) of  
138 subsection 3 of this section;

139 (7) The results of the parent satisfaction survey required annually pursuant to  
140 subdivision (15) of subsection 1 of this section;

141 (8) The average dollar amount of a scholarship grant for all students who participate  
142 in the program;

143 (9) The average dollar amount of a scholarship grant for all students who participate  
144 in the program and who have an IEP;

145 (10) The average duration of a student's participation in the program;

146 (11) The number of students who are in their first year of participation in the  
147 program;

148 (12) A list of the educational assistance organizations that make contributions to the  
149 empowerment scholarship accounts of students enrolled in each qualified school; and

150 (13) The total amount of money that has been remitted from qualified students'  
151 empowerment scholarship accounts to each qualified school, broken down by school year and  
152 the total aggregate amount.

153 5. An educational assistance organization may contract with private financial  
154 management firms to manage scholarship accounts with the supervision of the state treasurer,  
155 provided that all laws and regulations that apply to employees of such educational assistance  
156 organization shall also apply to the actions of any employees of the management firm while  
157 they are conducting work relating to the direct decision-making of the operation of such  
158 educational assistance organization.

151.150. 1. For the purpose of levying school taxes, including taxes for school  
2 purposes, as defined in section 163.011 for capital projects purposes, as authorized under  
3 section 165.011, "and for other purposes", as defined in section 151.160, in the several  
4 counties of this state, on the distributable property of the railroad company, the several county

5 commissions shall ascertain from the returns in the office of the county clerk the average rate  
6 of taxation levied for school purposes for capital projects purposes, and for other purposes,  
7 each separately by the several local school boards or authorities of the several school districts  
8 throughout the county.

9       2. The average rate for school purposes shall be ascertained by adding together the  
10 local rates of the several school districts in the county and by dividing the sum thus obtained  
11 by the whole number of districts levying a tax for school purposes. The county clerk shall  
12 cause to be charged to the railroad companies taxes for school purposes at the average rate on  
13 the proportionate value of the railroad property so certified to the county commission by the  
14 state tax commission, under the provisions of this chapter, and shall apportion the taxes for  
15 school purposes, so levied and collected, among all the school districts in his county, the same  
16 proportion that the September membership of a district, determined as provided in ~~[(1) of~~  
17 ~~subdivision (8)]~~ **paragraph (a) of subdivision (12)** of section 163.011, bears to the sum of  
18 the September membership of all districts in the county.

19       3. The average rate levied for capital projects purposes, and for other purposes, each  
20 separately, shall be ascertained by adding together the local rates of the several districts in the  
21 county levying a tax for capital projects purposes, or for other purposes and by dividing the  
22 sum thus obtained in each case by the whole number of districts in the county. The county  
23 clerk shall cause to be charged to the railroad companies taxes for capital projects purposes,  
24 or for other purposes, at the average rate on the proportionate value of the railroad  
25 distributable property so certified to the county commission by the state tax commission,  
26 under the provisions of this chapter, and the county commission shall apportion the taxes for  
27 capital projects purposes, or for other purposes so levied and collected, among the several  
28 school districts levying the taxes, in proportion to the amount of such taxes so levied in each  
29 of the districts.

30       4. All local property owned or controlled by a railroad company lying in any school  
31 district shall be taxed at the same rate as other property in the district, and the school taxes,  
32 including taxes for capital projects purposes, and for other purposes thereon, shall go to the  
33 district in which such property is situated.

163.011. As used in this chapter unless the context requires otherwise:

2       (1) "Adjusted operating levy", the sum of tax rates for the current year for teachers'  
3 and incidental funds for a school district as reported to the proper officer of each county  
4 pursuant to section 164.011;

5       (2) "Average daily attendance", the quotient or the sum of the quotients obtained by  
6 dividing the total number of hours attended in a term by resident pupils between the ages of  
7 five and twenty-one by the actual number of hours school was in session in that term. To the  
8 average daily attendance of the following school term shall be added the full-time equivalent

9 average daily attendance of summer school students. "Full-time equivalent average daily  
10 attendance of summer school students" shall be computed by dividing the total number of  
11 hours, except for physical education hours that do not count as credit toward graduation for  
12 students in grades nine, ten, eleven, and twelve, attended by all summer school pupils by the  
13 number of hours required in section 160.011 in the school term. For purposes of determining  
14 average daily attendance under this subdivision, the term "resident pupil" shall include all  
15 children between the ages of five and twenty-one who are residents of the school district and  
16 who are attending kindergarten through grade twelve in such district. If a child is attending  
17 school in a district other than the district of residence and the child's parent is teaching in the  
18 school district or is a regular employee of the school district which the child is attending, then  
19 such child shall be considered a resident pupil of the school district which the child is  
20 attending for such period of time when the district of residence is not otherwise liable for  
21 tuition. Average daily attendance for students below the age of five years for which a school  
22 district may receive state aid based on such attendance shall be computed as regular school  
23 term attendance unless otherwise provided by law;

24 (3) "Current operating expenditures":

25 (a) For the fiscal year 2007 calculation, current operating expenditures shall be  
26 calculated using data from fiscal year 2004 and shall be calculated as all expenditures for  
27 instruction and support services except capital outlay and debt service expenditures minus the  
28 revenue from federal categorical sources; food service; student activities; categorical  
29 payments for transportation costs pursuant to section 163.161; state reimbursements for early  
30 childhood special education; the career ladder entitlement for the district, as provided for in  
31 sections 168.500 to 168.515; the vocational education entitlement for the district, as provided  
32 for in section 167.332; and payments from other districts;

33 (b) In every fiscal year subsequent to fiscal year 2007, current operating expenditures  
34 shall be the amount in paragraph (a) of this subdivision plus any increases in state funding  
35 pursuant to sections 163.031 and 163.043 subsequent to fiscal year 2005, not to exceed five  
36 percent, per recalculation, of the state revenue received by a district in the 2004-05 school  
37 year from the foundation formula, line 14, gifted, remedial reading, exceptional pupil aid, fair  
38 share, and free textbook payments for any district from the first preceding calculation of the  
39 state adequacy target;

40 (4) "District's tax rate ceiling", the highest tax rate ceiling in effect subsequent to the  
41 1980 tax year or any subsequent year. Such tax rate ceiling shall not contain any tax levy for  
42 debt service;

43 (5) "Dollar-value modifier", an index of the relative purchasing power of a dollar,  
44 calculated as one plus fifteen percent of the difference of the regional wage ratio minus one,

45 provided that the dollar value modifier shall not be applied at a rate less than 1.0. **As used in**  
46 **this subdivision, the following terms mean:**

47 (a) "County wage per job", the total county wage and salary disbursements divided by  
48 the total county wage and salary employment for each county and the City of St. Louis as  
49 reported by the Bureau of Economic Analysis of the United States Department of Commerce  
50 for the fourth year preceding the payment year;

51 (b) "Regional wage per job":

52 a. The total Missouri wage and salary disbursements of the metropolitan area as  
53 defined by the Office of Management and Budget divided by the total Missouri metropolitan  
54 wage and salary employment for the metropolitan area for the county signified in the school  
55 district number or the City of St. Louis, as reported by the Bureau of Economic Analysis of  
56 the United States Department of Commerce for the fourth year preceding the payment year  
57 and recalculated upon every decennial census to incorporate counties that are newly added to  
58 the description of metropolitan areas; or if no such metropolitan area is established, then:

59 b. The total Missouri wage and salary disbursements of the micropolitan area as  
60 defined by the Office of Management and Budget divided by the total Missouri micropolitan  
61 wage and salary employment for the micropolitan area for the county signified in the school  
62 district number, as reported by the Bureau of Economic Analysis of the United States  
63 Department of Commerce for the fourth year preceding the payment year, if a micropolitan  
64 area for such county has been established and recalculated upon every decennial census to  
65 incorporate counties that are newly added to the description of micropolitan areas; or

66 c. If a county is not part of a metropolitan or micropolitan area as established by the  
67 Office of Management and Budget, then the county wage per job, as defined in paragraph (a)  
68 of this subdivision, shall be used for the school district, as signified by the school district  
69 number;

70 (c) "Regional wage ratio", the ratio of the regional wage per job divided by the state  
71 median wage per job;

72 (d) "State median wage per job", the fifty-eighth highest county wage per job;

73 (6) "Free and reduced price lunch pupil count", for school districts not eligible for and  
74 those that do not choose the USDA Community Eligibility Option, the number of pupils  
75 eligible for free and reduced price lunch on the last Wednesday in January for the preceding  
76 school year who were enrolled as students of the district, as approved by the department in  
77 accordance with applicable federal regulations. For eligible school districts that choose the  
78 USDA Community Eligibility Option, the free and reduced price lunch pupil count shall be  
79 the percentage of free and reduced price lunch students calculated as eligible on the last  
80 Wednesday in January of the most recent school year that included household applications to



81 determine free and reduced price lunch count multiplied by the district's average daily  
82 attendance figure;

83 (7) "Free and reduced price lunch threshold" shall be calculated by dividing the total  
84 free and reduced price lunch pupil count of every performance district that falls entirely above  
85 the bottom five percent and entirely below the top five percent of average daily attendance,  
86 when such districts are rank-ordered based on their current operating expenditures per  
87 average daily attendance, by the total average daily attendance of all included performance  
88 districts;

89 (8) **"Gifted education pupil count", the number of pupils who qualify as gifted,**  
90 **as gifted children are defined in section 162.675, and who are enrolled and have**  
91 **participated in a state-approved gifted education program provided by the school**  
92 **district by June first of the immediately preceding school year;**

93 (9) "Limited English proficiency pupil count", the number in the preceding school  
94 year of pupils aged three through twenty-one enrolled or preparing to enroll in an elementary  
95 school or secondary school who were not born in the United States or whose native language  
96 is a language other than English or are Native American or Alaskan native, or a native  
97 resident of the outlying areas, and come from an environment where a language other than  
98 English has had a significant impact on such individuals' level of English language  
99 proficiency, or are migratory, whose native language is a language other than English, and  
100 who come from an environment where a language other than English is dominant; and have  
101 difficulties in speaking, reading, writing, or understanding the English language sufficient to  
102 deny such individuals the ability to meet the state's proficient level of achievement on state  
103 assessments described in ~~[Public Law 107-10]~~ **the federal No Child Left Behind Act of**  
104 **2001 (Pub. L. 107-110)**, the ability to achieve successfully in classrooms where the language  
105 of instruction is English, or the opportunity to participate fully in society;

106 ~~[(9)]~~ (10) "Limited English proficiency threshold" shall be calculated by dividing the  
107 total limited English proficiency pupil count of every performance district that falls entirely  
108 above the bottom five percent and entirely below the top five percent of average daily  
109 attendance, when such districts are rank-ordered based on their current operating expenditures  
110 per average daily attendance, by the total average daily attendance of all included  
111 performance districts;

112 ~~[(10)]~~ (11) "Local effort":

113 (a) For the fiscal year 2007 calculation, local effort shall be computed as the  
114 equalized assessed valuation of the property of a school district in calendar year 2004 divided  
115 by one hundred and multiplied by the performance levy less the percentage retained by the  
116 county assessor and collector plus one hundred percent of the amount received in fiscal year  
117 2005 for school purposes from intangible taxes, fines, escheats, payments in lieu of taxes and

118 receipts from state-assessed railroad and utility tax, one hundred percent of the amount  
119 received for school purposes pursuant to the merchants' and manufacturers' taxes under  
120 sections 150.010 to 150.370, one hundred percent of the amounts received for school  
121 purposes from federal properties under sections 12.070 and 12.080 except when such  
122 amounts are used in the calculation of federal impact aid pursuant to P.L. 81-874, fifty percent  
123 of Proposition C revenues received for school purposes from the school district trust fund  
124 under section 163.087, and one hundred percent of any local earnings or income taxes  
125 received by the district for school purposes. Under this paragraph, for a special district  
126 established under sections 162.815 to 162.940 in a county with a charter form of government  
127 and with more than one million inhabitants, a tax levy of zero shall be utilized in lieu of the  
128 performance levy for the special school district;

129 (b) In every year subsequent to fiscal year 2007, local effort shall be the amount  
130 calculated under paragraph (a) of this subdivision plus any increase in the amount received  
131 for school purposes from fines. If a district's assessed valuation has decreased subsequent to  
132 the calculation outlined in paragraph (a) of this subdivision, the district's local effort shall be  
133 calculated using the district's current assessed valuation in lieu of the assessed valuation  
134 utilized in the calculation outlined in paragraph (a) of this subdivision. When a change in a  
135 school district's boundary lines occurs because of a boundary line change, annexation,  
136 attachment, consolidation, reorganization, or dissolution under section 162.071, 162.081,  
137 sections 162.171 to 162.201, section 162.221, 162.223, 162.431, 162.441, or 162.451, or in  
138 the event that a school district assumes any territory from a district that ceases to exist for any  
139 reason, the department of elementary and secondary education shall make a proper  
140 adjustment to each affected district's local effort, so that each district's local effort figure  
141 conforms to the new boundary lines of the district. The department shall compute the local  
142 effort figure by applying the calendar year 2004 assessed valuation data to the new land areas  
143 resulting from the boundary line change, annexation, attachment, consolidation,  
144 reorganization, or dissolution and otherwise follow the procedures described in this  
145 subdivision;

146 ~~[(11)]~~ **(12)** "Membership" shall be the average of:

147 (a) The number of resident full-time students and the full-time equivalent number of  
148 part-time students who were enrolled in the public schools of the district on the last  
149 Wednesday in September of the previous year and who were in attendance one day or more  
150 during the preceding ten school days; and

151 (b) The number of resident full-time students and the full-time equivalent number of  
152 part-time students who were enrolled in the public schools of the district on the last  
153 Wednesday in January of the previous year and who were in attendance one day or more  
154 during the preceding ten school days, plus the full-time equivalent number of summer school

155 pupils. "Full-time equivalent number of part-time students" is determined by dividing the  
156 total number of hours for which all part-time students are enrolled by the number of hours in  
157 the school term. "Full-time equivalent number of summer school pupils" is determined by  
158 dividing the total number of hours for which all summer school pupils were enrolled by the  
159 number of hours required pursuant to section 160.011 in the school term. Only students  
160 eligible to be counted for average daily attendance shall be counted for membership;

161 ~~[(12)]~~ **(13)** "Operating levy for school purposes", the sum of tax rates levied for  
162 teachers' and incidental funds plus the operating levy or sales tax equivalent pursuant to  
163 section 162.1100 of any transitional school district containing the school district, in the  
164 payment year, not including any equalized operating levy for school purposes levied by a  
165 special school district in which the district is located;

166 ~~[(13)]~~ **(14)** "Performance district", any district that has met performance standards  
167 and indicators as established by the department of elementary and secondary education for  
168 purposes of accreditation under section 161.092 and as reported on the final annual  
169 performance report for that district each year; for calculations to be utilized for payments in  
170 fiscal years subsequent to fiscal year 2018, the number of performance districts shall not  
171 exceed twenty-five percent of all public school districts;

172 ~~[(14)]~~ **(15)** "Performance levy", three dollars and forty-three cents;

173 ~~[(15)]~~ **(16)** "School purposes" pertains to teachers' and incidental funds;

174 ~~[(16)]~~ **(17)** "Special education pupil count", the number of public school students with  
175 a current individualized education program or services plan and receiving services from the  
176 resident district as of December first of the preceding school year, except for special  
177 education services provided through a school district established under sections 162.815 to  
178 162.940 in a county with a charter form of government and with more than one million  
179 inhabitants, in which case the sum of the students in each district within the county exceeding  
180 the special education threshold of each respective district within the county shall be counted  
181 within the special district and not in the district of residence for purposes of distributing the  
182 state aid derived from the special education pupil count;

183 ~~[(17)]~~ **(18)** "Special education threshold" shall be calculated by dividing the total  
184 special education pupil count of every performance district that falls entirely above the  
185 bottom five percent and entirely below the top five percent of average daily attendance, when  
186 such districts are rank-ordered based on their current operating expenditures per average daily  
187 attendance, by the total average daily attendance of all included performance districts;

188 ~~[(18)]~~ **(19)** "State adequacy target", the sum of the current operating expenditures of  
189 every performance district that falls entirely above the bottom five percent and entirely below  
190 the top five percent of average daily attendance, when such districts are rank-ordered based  
191 on their current operating expenditures per average daily attendance, divided by the total

192 average daily attendance of all included performance districts. The department of elementary  
193 and secondary education shall first calculate the state adequacy target for fiscal year 2007 and  
194 recalculate the state adequacy target every two years using the most current available data.  
195 The recalculation shall never result in a decrease from the state adequacy target as calculated  
196 for fiscal years 2017 and 2018 and any state adequacy target figure calculated subsequent to  
197 fiscal year 2018. Should a recalculation result in an increase in the state adequacy target  
198 amount, fifty percent of that increase shall be included in the state adequacy target amount in  
199 the year of recalculation, and fifty percent of that increase shall be included in the state  
200 adequacy target amount in the subsequent year. The state adequacy target may be adjusted to  
201 accommodate available appropriations as provided in subsection 7 of section 163.031;

202 ~~[(19)]~~ **(20)** "Teacher", any teacher, teacher-secretary, substitute teacher, supervisor,  
203 principal, supervising principal, superintendent or assistant superintendent, school nurse,  
204 social worker, counselor or librarian who shall, regularly, teach or be employed for no higher  
205 than grade twelve more than one-half time in the public schools and who is certified under the  
206 laws governing the certification of teachers in Missouri;

207 ~~[(20)]~~ **(21)** "Weighted average daily attendance":

- 208 (a) For fiscal years prior to the 2026 fiscal year, paragraph (g) of this subdivision;  
209 (b) For the 2026 fiscal year, the sum of nine-tenths multiplied by paragraph (g) of this  
210 subdivision plus one-tenth multiplied by the weighted membership;  
211 (c) For the 2027 fiscal year, the sum of eight-tenths multiplied by paragraph (g) of  
212 this subdivision plus two-tenths multiplied by the weighted membership;  
213 (d) For the 2028 fiscal year, the sum of seven-tenths multiplied by paragraph (g) of  
214 this subdivision plus three-tenths multiplied by the weighted membership;  
215 (e) For the 2029 fiscal year, the sum of six-tenths multiplied by paragraph (g) of this  
216 subdivision plus four-tenths multiplied by the weighted membership;  
217 (f) For the 2030 fiscal year and all subsequent fiscal years, the sum of five-tenths  
218 multiplied by paragraph (g) of this subdivision plus five-tenths multiplied by the weighted  
219 membership;

220 (g) The average daily attendance plus the product of twenty-five hundredths  
221 multiplied by the free and reduced price lunch pupil count that exceeds the free and reduced  
222 price lunch threshold, plus the product of seventy-five hundredths multiplied by the number  
223 of special education pupil count that exceeds the special education threshold, plus the product  
224 of six-tenths multiplied by the number of limited English proficiency pupil count that exceeds  
225 the limited English proficiency threshold, **plus, beginning on July 1, 2026, the product of**  
226 **six-tenths multiplied by the number of the district's gifted education pupil count.** For  
227 special districts established under sections 162.815 to 162.940 in a county with a charter form  
228 of government and with more than one million inhabitants, weighted average daily attendance

229 shall be the average daily attendance plus the product of twenty-five hundredths multiplied by  
230 the free and reduced price lunch pupil count that exceeds the free and reduced price lunch  
231 threshold, plus the product of seventy-five hundredths multiplied by the sum of the special  
232 education pupil count that exceeds the threshold for each county district, plus the product of  
233 six-tenths multiplied by the limited English proficiency pupil count that exceeds the limited  
234 English proficiency threshold, **plus, beginning on July 1, 2026, the product of six-tenths**  
235 **multiplied by the number of the district's gifted education pupil count.** None of the  
236 districts comprising a special district established under sections 162.815 to 162.940 in a  
237 county with a charter form of government and with more than one million inhabitants, shall  
238 use any special education pupil count in calculating their weighted average daily attendance;  
239 ~~[(21)]~~ **(22)** "Weighted membership", the membership plus the product of twenty-five  
240 hundredths multiplied by the free and reduced price lunch pupil count that exceeds the free  
241 and reduced price lunch threshold, plus the product of seventy-five hundredths multiplied by  
242 the number of special education pupil count that exceeds the special education threshold, plus  
243 the product of six-tenths multiplied by the number of limited English proficiency pupil count  
244 that exceeds the limited English proficiency threshold, **plus, beginning on July 1, 2026, the**  
245 **product of six-tenths multiplied by the number of the district's gifted education pupil**  
246 **count.** For special districts established under sections 162.815 to 162.940 in a county with  
247 more than one million inhabitants, weighted membership shall be the membership plus the  
248 product of twenty-five hundredths multiplied by the free and reduced price lunch pupil count  
249 that exceeds the free and reduced price lunch threshold, plus the product of seventy-five  
250 hundredths multiplied by the sum of the special education pupil count that exceeds the  
251 threshold for each county district, plus the product of six-tenths multiplied by the limited  
252 English proficiency pupil count that exceeds the limited English proficiency threshold, **plus,**  
253 **beginning on July 1, 2026, the product of six-tenths multiplied by the number of the**  
254 **district's gifted education pupil count.** None of the districts comprising a special district  
255 established under sections 162.815 to 162.940 in a county with more than one million  
256 inhabitants shall use any special education pupil count in calculating their weighted  
257 membership.

166.131. The county commission in each county shall administer the county school  
2 fund of the county. In each county wherein the annual distribution of the liquidated capital of  
3 the county school fund has not been ordered by the voters pursuant to sections 166.151 to  
4 166.161, the proceeds of the fund shall be invested by the county commission in registered  
5 bonds of the United States, or in bonds of the state or in approved bonds of any city or school  
6 district thereof, or in bonds or other securities the payment of which is fully guaranteed by the  
7 United States government and shall be preserved as a county school fund. Annually, on or  
8 before September thirtieth, in each county of the state all interest accruing from the

9 investment of the capital of the county school fund, if any, the clear proceeds of all penalties  
10 and fines collected for any breach of the penal laws of the state, the net proceeds from the sale  
11 of estrays, and all other money lawfully coming into the fund, shall be collected and  
12 distributed to the school districts of the county by the county clerk in the same proportion that  
13 the September membership of a school district, determined as provided in ~~[(1) of subdivision~~  
14 ~~(8)]~~ **paragraph (a) of subdivision (12)** of section 163.011 bears to the sum of the September  
15 membership of all the districts in the county. He shall immediately after making the  
16 apportionments enter them in a book to be kept for that purpose, and shall furnish each district  
17 clerk a copy of the apportionment. The county treasurer shall pay over to the treasurer of the  
18 school board of every district in the county the amount due each respective district. The clear  
19 proceeds of all forfeitures collected for any breach of the penal laws of the state distributed  
20 for education shall be transferred to the school building revolving fund.

✓