

HB 2866 -- ELEMENTARY AND SECONDARY EDUCATION

SPONSOR: Diehl

This bill creates, repeals, and modifies provisions relating to elementary and secondary education.

MISSOURI EMPOWERMENT SCHOLARSHIP ACCOUNTS PROGRAM (Sections 135.712, 135.713, 135.715, 135.716, 160.410, 160.415, 166.700, and 166.720)

The bill authorizes the General Assembly to fund student scholarships through the Missouri Empowerment Scholarship Accounts Program by appropriating funds to the Missouri Empowerment Scholarship Accounts Fund. Such scholarships must be awarded in an order and in amounts established in current law and must be governed through parent agreements with educational assistance organizations, as provided in current law. No provision of law relating to the Missouri Empowerment Scholarship Accounts Program will be construed to limit the appropriation authority of the General Assembly.

The cumulative amount of tax credits that can be allocated in any one calendar year is doubled, increasing from \$75 million to \$150 million.

The bill requires a maximum of 15 educational assistance organizations, rather than 10, in any school year. No more than 11 of such organizations, rather than seven, will have their principal place of business in Greene County, Jackson County, St. Charles County, St. Louis County, or the City of St. Louis.

Where capacity is available, a charter school must enroll all students who transfer under the Missouri Empowerment Scholarship Accounts Program. A charter school can receive tuition payments from such students.

The definition of "qualified student" is modified by repealing provisions requiring students to have an individualized education plan (IEP) developed under Federal law or to be a member of a household with a total annual income that does not exceed 300% of the income standard used to qualify for free and reduced price lunches.

The bill repeals a provision allowing school districts and charter schools to continue including students in the calculation of the district's or school's weighted average daily attendance

for up to five years after the student receives an empowerment scholarship and leaves the school district or charter school.

CHARTER SCHOOLS (Sections 160.400, 160.405, and 160.415)

Under this bill, charter schools can be operated in any school district in the State in which they are currently authorized and , in the 2027-28 school year, in any school district with a student attendance greater than 6,500.

The bill repeals provisions limiting charter schools to certain school districts and provisions relating to the accreditation status of school districts in which a charter school can operate.

The proposed charter of a charter school sponsored and approved by the Missouri Charter Public School Commission will not require the approval of the State Board of Education.

The bill repeals provisions restricting certain state aid payments only to those charter schools in certain school districts.

SCHOOL PROPERTY (Sections 160.422 and 162.092)

Under this bill, cities, counties, and school districts, defined as political subdivisions, must not adopt or enforce any ordinance, policy, or resolution that prevents property they sell, lease, or transfer from being used by a charter school for any lawful educational purpose.

The bill also prohibits any deed restriction, property use restriction, or other such restriction that limits property to specific uses that exclude use by a charter public school for any lawful educational purpose. Any existing restriction that bars property previously used for educational purposes from being used for future educational purposes by a charter school is void. Any ordinance, policy, regulation, deed, use restriction, or contract made in violation of this bill is void from its inception.

Additionally, when a school district offers to purchase or lease an unused facility, as that term is defined in the bill, to a party other than a public entity, the contract must include a right of first refusal allowing a public entity to purchase or lease the property first. The term public entity includes the State of Missouri and any of its political subdivisions, such as cities, counties, boards, agencies, or authorities.

If the offer to purchase or lease is accepted, such school district must post a public notice on its website stating that the property is available and include the property's square footage, the district's contact information, and a statement that the right of first refusal expires 60 days after this notification.

If multiple public entities express interest in the unused building or facility, the school district must decide which entity will purchase or lease the property.

During negotiations, the school district can choose whether to sell or lease the property, at fair market value or less. A lease will allow reasonable access and use of shared common areas. If a public entity leases the entire facility and incurs debt to make improvements, the school district will subordinate its lease interest to that debt.

The public entity will have six months from the date of its written offer to complete the purchase or lease. While leasing, the public entity will be responsible for all direct expenses, including utilities, insurance, maintenance, property taxes, and repairs.

If a public entity later decides to sell a facility it purchased from a school district, such public entity must first offer the property back to that district, following the same procedures set forth in the bill.

STUDENT TRANSFERS Sections (167.241, 167.895, and 167.898)

Current law authorizes students who reside in an unaccredited school district to transfer to an accredited school district in the same or an adjoining county under certain conditions. This bill repeals and modifies provisions limiting these transfers to students in unaccredited school districts. Under the bill, any student can transfer to another public school or charter school, beginning in the 2027-28 school year and in all subsequent school years.

Each school board must adopt a policy to determine its transfer capacity for each grade level and school no later than October 27, 2026. The policy will be publicly posted on the school district's website. By July 15, 2027, and by the first of each month thereafter, each school district must report to the Department of Elementary and Secondary Education (DESE) the school district's average per pupil expenditure, the number of

available enrollment slots by grade level and school, and publish the number of available slots for each grade level and school in a prominent and publicly accessible place on the school district's website. DESE must publish and update, at least monthly, each school district's transfer capacity on an online portal accessible via the DESE website and must include a search function for users to identify schools with capacity to accept transfer students near their home address.

Parents of students who wish to transfer must notify DESE by August 1, 2027, and by the first day of each month thereafter, and DESE must assign students to a receiving district or charter school as provided in the bill. A receiving district must accept all students who apply and are assigned to the district, so long as there is capacity for each student. School board policies must not discriminate against any student on the basis of such student's residential address, academic performance, athletic ability, disability, race, ethnicity, sex, or free and reduced price lunch status.

If a request for transfer is denied, an appeal can be taken to the State Board of Education (SBE) by sending the appeal by certified mail to the superintendent of the receiving school district and to the SBE. Any appeal not heard by the SBE within 60 calendar days will be deemed granted with immediate effect. DESE must develop forms for filing appeals, and the SBE must promulgate rules to establish the appeals process.

The bill repeals provisions requiring sending districts to make tuition payments to receiving districts. Instead, for purposes of calculating state and federal aid, each transfer student will be counted as a resident of the receiving district in which the student is enrolled. Tuition must not be charged to any student or to his or her parent or legal guardian.

If the receiving district is part of a special school district, the sending district must contract with the special school district for the entirety of the costs to provide special education and related services, excluding transportation. The special school district can contract with a sending district for transportation, or the sending district can provide transportation on its own.

The bill outlines school districts' responsibilities for the provision of special education and related services to students with disabilities. A special school district must continue to provide special education and related services, excluding

transportation, to students with disabilities who transfer to another school within the special school district. If the sending district is a metropolitan school district, it will remain responsible for providing special education and related services, including transportation, to students with disabilities who transfer to a receiving district. A special school district in an adjoining county to a metropolitan school district can contract with the metropolitan school district for the reimbursement of special education and related services provided by the special school district for transfer students. A receiving district that is not part of a special school district will not be responsible for providing transportation to transfer students, regardless of whether transportation is identified as a related service within a student's IEP. A sending district can contract with a receiving district that is not part of a special school district for transportation of students with disabilities. A seven-director or urban school district can contract with a receiving district that is not part of a special school district in the same or an adjoining county for the reimbursement of special education and related services provided by the receiving district.

DESE must designate at least one receiving district or charter school to which each sending district must provide transportation. A sending district will be required to provide transportation only to the school district or charter school designated by DESE.

ADMINISTRATOR CERTIFICATION (Section 168.189)

Under this bill, a school district can consider, but may not require, any criteria greater than that which is necessary to obtain a Missouri initial administrator certificate under rules promulgated by the SBE. A school district can employ such an individual if the individual holds a master's degree or its equivalent, has at least eight years of experience in an executive role with responsibilities described in the bill, and a waiver specific to the applicant has been granted to the school district for this purpose. Such a waiver will be valid for no longer than three years and eligible for renewal once. Upon conclusion of the maximum six year waiver period, the SBE can grant the applicant a permanent certificate to serve as an administrator in any school district in the State.

This bill is similar to SB 1496 (2026).