

HCS HB 1552 -- SCHOOL FUNDING (Richey)

The following is a summary of the House Committee Substitute for HB 1552.

This bill renames Section 160.415, RSMo, the "Charter School Funding Act" and requires charter schools and each school district to include an annual independent audit to verify pupil residency.

The bill requires school districts to pay for each pupil attending a charter school in that district based on the formula established in the bill which includes all state aid and local aid received by the school district divided by the total weighted average daily attendance of the school district and all charter schools within the school district. The bill defines "local aid" to include all local and county revenue received by the school district and charter schools within the school district, with specific examples and exclusions specified in the bill.

School districts must calculate the amount of local aid owed to a charter school monthly and make timely payments to the charter school as outlined in the bill. The Department of Elementary and Secondary Education (DESE) shall conduct an annual review of payments from school districts with measures for over and underpayment as outlined in the bill and an accountability and transparency provision to assess the use of taxpayer dollars in services provided by charter schools.

This bill includes a calculation for an administrative fee to be retained from the January local aid payment by the school district. The calculation of the fee for a school district and a metropolitan school district are specified in the bill. The Department shall calculate the administrative fee and provide it to the school district before January 15, and publicly make the calculation of the administrative fee available on DESE's website.

The bill provides for a revised formula that shall be used beginning February 1, 2025 to calculate the total special educational services cost for a school district and for each charter within the school district. Before February 14th of each year DESE will calculate and transmit calculations for net cost for providing special educational services and districts will use the calculations to determine the amount of local aid to distribute to each charter school within the district.

The bill has a delayed effective date of July 1, 2023 for all school districts except for a metropolitan school district which has a delayed effective date of July 1, 2028. The bill also includes nonseverability language so that if any provision of

Section 160.415, RSMo is held to be invalid the entire section would be invalidated.

This bill allows, beginning after July 1, 2023, any person or a beneficiary of a trust that owns residential or agricultural real property in any school district, and pays a school tax of at least \$3000 in that district and owned property for at least three years, to send up to four children to that district without a tuition payment, upon notification to the district at least 30 days prior to enrollment, and the district shall count that child for the districts average daily attendance (Section 167.151).

This bill is similar to SCS HCS HB 137 (2021).