

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1552

101ST GENERAL ASSEMBLY

3565H.03P

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 160.415 and 167.151, RSMo, and to enact in lieu thereof two new sections relating to funding for schools.

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

Section A. Sections 160.415 and 167.151, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 160.415 and 167.151, to read as follows:

160.415. 1. **This section shall be known and may be cited as the “Charter School
2 Funding Act.”**

3 **2.** For the purposes of calculation and distribution of state school aid under section
4 163.031, pupils enrolled in a charter school shall be included in the pupil enrollment of the
5 school district within which each pupil resides. Each charter school shall report the ~~names,
6 addresses, and~~ eligibility for free and reduced price lunch, special education, or limited
7 English proficiency status, as well as eligibility for categorical aid, of pupils resident in a
8 school district who are enrolled in the charter school to the school district in which those
9 pupils reside. The charter school shall report the average daily attendance data, free and
10 reduced price lunch count, special education pupil count, and limited English proficiency
11 pupil count to the state department of elementary and secondary education. Each charter
12 school shall promptly notify the state department of elementary and secondary education and
13 the pupil's school district when a ~~student~~ **pupil** discontinues enrollment at a charter school.

14 ~~2.~~ **3. This subsection shall apply in all school districts, except metropolitan
15 school districts, to all school years ending before July 1, 2023. This subsection shall
16 apply in all metropolitan school districts to all school years ending before July 1, 2028.**

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 Except as provided in subsections 3 and 4 of this section, the aid payments for charter schools
18 shall be as described in this subsection.

19 (1) A school district having one or more resident pupils attending a charter school
20 shall pay to the charter school an annual amount equal to the product of the charter school's
21 weighted average daily attendance and the state adequacy target, multiplied by the dollar
22 value modifier for the district, plus local tax revenues per weighted average daily attendance
23 from the incidental and teachers' funds in excess of the performance levy as defined in section
24 163.011 plus all other state aid attributable to such pupils.

25 (2) The district of residence of a pupil attending a charter school shall also pay to the
26 charter school any other federal or state aid that the district receives on account of such ~~[child]~~
27 **pupil.**

28 (3) If the department overpays or underpays the amount due to the charter school,
29 such overpayment or underpayment shall be repaid by the ~~[public]~~ charter school or credited
30 to the ~~[public]~~ charter school in twelve equal payments in the next fiscal year.

31 (4) The amounts provided pursuant to this subsection shall be prorated for partial year
32 enrollment for a pupil.

33 (5) A school district shall pay the amounts due pursuant to this subsection as the
34 disbursal agent and no later than twenty days following the receipt of any such funds. The
35 department of elementary and secondary education shall pay the amounts due when it acts as
36 the disbursal agent within five days of the required due date.

37 ~~[3-]~~ **4. This subsection shall apply in all school districts, except metropolitan**
38 **school districts, to all school years ending before July 1, 2023. This subsection shall**
39 **apply in all metropolitan school districts to all school years ending before July 1, 2028.**
40 A workplace charter school shall receive payment for each eligible pupil as provided under
41 subsection 2 of this section, except that if the ~~[student]~~ **pupil** is not a resident of the district
42 and is participating in a voluntary interdistrict transfer program, the payment for such pupils
43 shall be the same as provided under section 162.1060.

44 ~~[4-]~~ **5. This subsection shall apply in all school districts, except metropolitan**
45 **school districts, to all school years ending before July 1, 2023. This subsection shall**
46 **apply in all metropolitan school districts to all school years ending before July 1, 2028.**
47 A charter school that has declared itself as a local educational agency shall receive from the
48 department of elementary and secondary education an annual amount equal to the product of
49 the charter school's weighted average daily attendance and the state adequacy target,
50 multiplied by the dollar value modifier for the district, plus local tax revenues per weighted
51 average daily attendance from the incidental and teachers funds in excess of the performance
52 levy as defined in section 163.011 plus all other state aid attributable to such pupils. If a
53 charter school declares itself as a local educational agency, the department of elementary and

54 secondary education shall, upon notice of the declaration, reduce the payment made to the
55 school district by the amount specified in this subsection and pay directly to the charter school
56 the annual amount reduced from the school district's payment.

57 ~~[5-]~~ **6. This subsection shall apply in all school districts, except metropolitan**
58 **school districts, to all school years ending before July 1, 2023. This subsection shall**
59 **apply in all metropolitan school districts to all school years ending before July 1, 2028.**

60 If a school district fails to make timely payments of any amount for which it is the disbursal
61 agent, the state department of elementary and secondary education shall authorize payment to
62 the charter school of the amount due pursuant to subsection 2 of this section and shall deduct
63 the same amount from the next state school aid apportionment to the owing school district. If
64 a charter school is paid more or less than the amounts due pursuant to this section, the amount
65 of overpayment or underpayment shall be adjusted equally in the next twelve payments by the
66 school district or the department of elementary and secondary education, as appropriate. Any
67 dispute between the school district and a charter school as to the amount owing to the charter
68 school shall be resolved by the department of elementary and secondary education, and the
69 department's decision shall be the final administrative action for the purposes of review
70 pursuant to chapter 536. During the period of dispute, the department of elementary and
71 secondary education shall make every administrative and statutory effort to allow the
72 continued education of ~~[children]~~ **students** in their current ~~[public]~~ charter school setting.

73 ~~[6-]~~ **7. The charter school and a local school board may agree by contract for services**
74 **to be provided by the school district to the charter school. The charter school may contract**
75 **with any other entity for services. Such services may include but are not limited to food**
76 **service, custodial service, maintenance, management assistance, curriculum assistance, media**
77 **services and libraries and shall be subject to negotiation between the charter school and the**
78 **local school board or other entity. Documented actual costs of such services shall be paid for**
79 **by the charter school.**

80 ~~[7-]~~ **8. In the case of a proposed charter school that intends to contract with an**
81 **education service provider for substantial educational services or management services, the**
82 **request for proposals shall additionally require the charter school applicant to:**

83 (1) Provide evidence of the education service provider's success in serving student
84 populations similar to the targeted population, including demonstrated academic achievement
85 as well as successful management of nonacademic school functions, if applicable;

86 (2) Provide a term sheet setting forth the proposed duration of the service contract;
87 roles and responsibilities of the governing board, the school staff, and the service provider;
88 scope of services and resources to be provided by the service provider; performance
89 evaluation measures and time lines; compensation structure, including clear identification of

90 all fees to be paid to the service provider; methods of contract oversight and enforcement;
91 investment disclosure; and conditions for renewal and termination of the contract;

92 (3) Disclose any known conflicts of interest between the school governing board and
93 proposed service provider or any affiliated business entities;

94 (4) Disclose and explain any termination or nonrenewal of contracts for equivalent
95 services for any other charter school in the United States within the past five years;

96 (5) Ensure that the legal counsel for the charter school shall report directly to the
97 charter school's governing board; and

98 (6) Provide a process to ensure that the expenditures that the education service
99 provider intends to bill to the charter school shall receive prior approval of the governing
100 board or its designee.

101 ~~[8-]~~ **9.** A charter school may enter into contracts with community partnerships and
102 state agencies acting in collaboration with such partnerships that provide services to
103 ~~[children]~~ **students** and their families linked to the school.

104 ~~[9-]~~ **10.** A charter school shall be eligible for transportation state aid pursuant to
105 section 163.161 and shall be free to contract with the local district, or any other entity, for the
106 provision of transportation to the students of the charter school.

107 ~~[10-]~~ **11.** (1) The proportionate share of state and federal resources generated by
108 students with disabilities or staff serving them shall be paid in full to charter schools enrolling
109 those students by their school district where such enrollment is through a contract for services
110 described in this section. The proportionate share of money generated under other federal or
111 state categorical aid programs shall be directed to charter schools serving such students
112 eligible for that aid.

113 (2) A charter school shall provide the special services provided pursuant to section
114 162.705 and may provide the special services pursuant to a contract with a school district or
115 any provider of such services.

116 ~~[11-]~~ **12.** A charter school ~~[may]~~ **shall** not charge tuition or impose fees that a school
117 district is prohibited from charging or imposing, except that a charter school may receive
118 tuition payments from districts in the same or an adjoining county for nonresident students
119 who transfer to an approved charter school, as defined in section 167.895, from an
120 unaccredited district.

121 ~~[12-]~~ **13.** A charter school is authorized to incur debt in anticipation of receipt of
122 funds. A charter school may also borrow to finance facilities and other capital items. A
123 school district may incur bonded indebtedness or take other measures to provide for physical
124 facilities and other capital items for charter schools that it sponsors or contracts with. Except
125 as otherwise specifically provided in sections 160.400 to 160.425, upon the dissolution of a
126 charter school, any liabilities of the corporation will be satisfied through the procedures of

127 chapter 355. A charter school shall satisfy all its financial obligations within twelve months
128 of notice from the sponsor of the charter school's closure under subsection 8 of section
129 160.405. After satisfaction of all its financial obligations, a charter school shall return any
130 remaining state and federal funds to the department of elementary and secondary education
131 for disposition as stated in subdivision (17) of subsection 1 of section 160.405. The
132 department of elementary and secondary education may withhold funding at a level the
133 department determines to be adequate during a school's last year of operation until the
134 department determines that school records, liabilities, and reporting requirements, including a
135 full audit, are satisfied.

136 ~~[13-]~~ **14.** Charter schools shall not have the power to acquire property by eminent
137 domain.

138 ~~[14-]~~ **15.** The governing ~~[body]~~ **board** of a charter school is authorized to accept
139 grants, gifts or donations of any kind and to expend or use such grants, gifts or donations. A
140 grant, gift or donation ~~[may]~~ **shall** not be accepted by the governing ~~[body]~~ **board** if it is
141 subject to any condition contrary to law applicable to the charter school or other public
142 schools, or contrary to the terms of the charter.

143 **16. (1) As used in this section, the following terms mean:**

144 **(a) "Department", the department of elementary and secondary education;**

145 **(b) "Local aid", all local and county revenue received by the school district and
146 charter schools within the school district. The term "local aid":**

147 **a. Includes, but is not limited to, the following:**

148 **(i) Property taxes and delinquent taxes;**

149 **(ii) Merchants' and manufacturers' tax revenues, except that an urban school
150 district containing most or all of a city with more than four hundred thousand
151 inhabitants and located in more than one county may annually withhold merchants' and
152 manufacturers' tax revenues required for repayment of Series 2009, Series 2010, Series
153 2015, and Series 2016 bonds. Such school district shall not withhold merchants' and
154 manufacturers' tax revenues after the fiscal year ending June 30, 2036;**

155 **(iii) Financial institutions' tax revenues;**

156 **(iv) City sales tax revenue, including city sales tax collected in any city not within
157 a county, but excludes city sales tax revenue collected but withheld by any metropolitan
158 school district pursuant to a court mandated desegregation settlement agreement if a
159 federal court issues a final decision finding the city sales tax may only be used by the
160 metropolitan school district;**

161 **(v) Payments in lieu of taxes;**

162 **(vi) Revenues from state-assessed railroad and utilities tax; or**

163 **(vii) Any future aid; and**

164 **b. Shall not be construed to include:**

165 **(i) Charitable contributions, gifts, and grants made to school districts and**
166 **charter schools;**

167 **(ii) Interest earnings of school districts and charter schools;**

168 **(iii) Student fees paid to school districts and charter schools;**

169 **(iv) Debt service authorized by a public vote for the purpose of making**
170 **payments on a bond issuance of a school district;**

171 **(v) Proposition C revenues received for school purposes from the school district**
172 **trust fund under section 163.087;**

173 **(vi) Any funding solely intended for any special school district providing services**
174 **to students in any county with more than one million inhabitants; or**

175 **(vii) Any other funding solely intended for a particular school district or charter**
176 **school and its respective employees, schools, foundations, or organizations.**

177 **(2) Notwithstanding any other provision of law to the contrary, the calculation in**
178 **this subsection shall be used to calculate state and local aid only for charter schools**
179 **operated in school districts listed under subsection 2 of section 160.400.**

180 **(3) Each charter school and each school district responsible for distributing local**
181 **aid to charter schools under this subsection shall include as part of its annual**
182 **independent audit an audit of pupil residency, enrollment, and attendance in order to**
183 **verify pupil residency in the school district or local educational agency.**

184 **(4) A school district having one or more resident pupils attending a charter**
185 **school shall pay to the charter school an annual amount equal to the product of the**
186 **charter school's weighted average daily attendance and the state adequacy target,**
187 **multiplied by the dollar value modifier for the district, less the charter school's share of**
188 **local effort as defined in section 163.011 plus all other state aid attributable to such**
189 **pupils plus local aid received by the school district divided by the total weighted average**
190 **daily attendance of the school district and all charter schools within the school district**
191 **per weighted average daily attendance of the charter school.**

192 **(5) A charter school that has declared itself a local educational agency shall**
193 **receive all state aid calculated under this subsection from the department and all local**
194 **aid calculated under this subsection from the school district within which the charter**
195 **school is operating. A charter school shall receive an annual amount equal to the**
196 **product of the charter school's weighted average daily attendance and the state**
197 **adequacy target, multiplied by the dollar value modifier for the district, less the charter**
198 **school's share of local effort as defined in section 163.011 plus all other state aid**
199 **attributable to such pupils plus local aid received by the school district divided by the**

200 total weighted average daily attendance of the school district and all charter schools
201 within the school district per weighted average daily attendance of the charter school.

202 (6) (a) The school district with charter schools operating within the district shall
203 withhold, from the January local effort payment received by the school district, an
204 annual administrative fee for the purpose of supporting administrative costs the school
205 district incurs for charter schools operating within the school district. In all school
206 districts except a metropolitan school district, the administrative fee shall be equal to
207 one-fourth of one percent of the sum of the prior year's state aid received by the school
208 district, the prior year's state aid received by the charter school within the school
209 district, and the prior year's local aid received by the school district and the charter
210 schools within the school district. The administrative fee in a metropolitan school
211 district shall be equal to two percent of the sum of the prior year's state aid received by
212 the school district, the prior year's state aid received by the charter school within the
213 school district, and the prior year's local aid received by the school district and the
214 charter schools within the school district. As used in this paragraph, "state aid" means
215 the product of the school district or charter school's weighted average daily attendance
216 and the state adequacy target, multiplied by the dollar value modifier for the district,
217 less the school district or charter school's share of local effort as defined in section
218 163.011.

219 (b) On or before December thirty-first of each year, any school district that has
220 charter schools operating within the district shall transmit to the department the total
221 annual local aid calculation described in subdivision (7) of this subsection. If the school
222 district fails to transmit the annual local aid calculation to the department, the school
223 district shall not withhold the administrative fee.

224 (c) The department shall calculate the administrative fee under the formula in
225 this subdivision using data from the previous school year. On or before January
226 fifteenth of the following year, the department shall transmit to any school district that
227 has charter schools operating within the district the calculation of the administrative fee
228 and make such calculation publicly available on the department's website.

229 (7) Each month any school district that has charter schools operating within the
230 district shall calculate the amount of local aid received by the school district that is owed
231 to the charter schools by the school district under this subsection. The school district
232 shall pay to the charter school the amount of local aid owed to the charter school, as
233 calculated by the school district using the previous month's weighted average daily
234 attendance of the charter school. If any payment of local aid is due, the school district
235 shall make monthly payments on the twenty-first day of each month or upon the closest
236 business day, beginning in July of each year.

237 (a) If the school district fails to make timely payment, the department shall
238 impose any penalty the department deems appropriate.

239 (b) The school district shall, as part of its annual audit as required under section
240 165.111, include a report converting the local aid received by the district from an
241 accrual basis to a cash basis. Such report shall be made publicly available on its district
242 website in a searchable format or as a downloadable and searchable document.

243 (8) The department shall conduct an annual review of any payments made in the
244 previous fiscal year under subdivision (7) of this subsection to determine if there has
245 been any underpayment or overpayment. The annual review, to be conducted in
246 January of each year, shall include a calculation of the amount of local aid owed to
247 charter schools using the first preceding year's annual audit required under section
248 165.111. A school district shall pay to a charter school operating in the district the
249 amount of local aid owed to the charter school as calculated by the department. In the
250 event of an underpayment, the school district shall remit the underpayment amount to
251 the charter school. In the event of an overpayment, the charter school shall remit the
252 overpayment amount to the school district.

253 (a) If the school district fails to remit any underpayment amount to the charter
254 school within thirty days of notification of the underpayment amount, the department
255 shall impose any penalty the department deems appropriate.

256 (b) If the charter school fails to remit any overpayment amount owed to the
257 school district within thirty days of notification of the overpayment amount, the
258 department shall impose any penalty the department deems appropriate.

259 (9) If a prior year correction of the amount of local aid is necessary, the school
260 district shall recalculate the amount owed to a charter school and either remit any
261 underpayment amount to the charter school or provide a bill to the charter school for
262 any overpayment amount. Any underpayment or overpayment amount shall be
263 remitted under the schedules in paragraphs (a) and (b) of subdivision (8) of this
264 subsection.

265 (10) (a) The annual review conducted under subdivision (8) of this subsection
266 shall also assess whether public school and charter school recipients of state and local
267 taxpayer dollars provide similar amounts and quality of services including, but not
268 limited to:

- 269 a. Taxpayer accountability for use of public funds;
- 270 b. Transparency in accreditation standards and classifications;
- 271 c. Student transportation;
- 272 d. School calendar allowances and requirements;
- 273 e. Ability to enroll and accommodate new students;

274 f. Teacher certification; and

275 g. Teacher retention.

276 (b) The results of the annual assessment shall be a public record and distributed
277 to the general assembly.

278 (11) (a) For the purposes of this subdivision, net cost for providing special
279 educational services for the school district with charter schools operating within the
280 school district and each charter school within the school district shall be calculated as
281 the total special educational services costs minus the total special educational services
282 funding.

283 (b) For the purposes of this subdivision, total special educational services costs
284 shall be calculated as the sum of the total cost of the following as reported on the annual
285 secretary of the board report for the school district with charter schools operating
286 within the district and each charter school within the school district:

287 a. Department-defined special education instruction;

288 b. Tuition for special education programs;

289 c. Health services;

290 d. Psychology services;

291 e. Speech and language services;

292 f. Audiology services;

293 g. Occupational therapy;

294 h. Physical therapy;

295 i. Visually impaired services;

296 j. Special education transportation services; and

297 k. Tuition to other districts within the state that fulfill requirements of the
298 voluntary interdistrict coordinating council program.

299 (c) For the purposes of this subdivision, total special educational services
300 funding shall be calculated as the sum of the state aid and local effort per weighted
301 average daily attendance for the school district and the sum of the state aid and local aid
302 per weighted average daily attendance for the charter schools within the school district
303 multiplied by the total number of students with an individualized educational plan as
304 reported in December of each year to the department, plus any funds received under
305 section 162.974, plus any funds received under the federal Individuals with Disabilities
306 Education Act (IDEA) (20 U.S.C. Section 1400 et seq.), as amended, plus any additional
307 weighted state aid funds received as a result of serving a percentage of special education
308 students that exceeds the special educational threshold as defined in section 163.011.

309 (d) Each school district that has charter schools operating within the school
310 district and each charter school shall, as part of the annual audit provided to the

311 department, report the number of students with an individualized educational plan, the
312 costs incurred for providing special educational services as described in paragraph (b)
313 of this subdivision, the amount of funds drawn down under section 162.974, and the
314 amount of funds drawn down under the federal Individuals with Disabilities Education
315 Act (IDEA) (20 U.S.C. Section 1400 et seq.), as amended.

316 (e) On or before February fourteenth of each year, the department shall
317 calculate for each school district that has charter schools operating within the school
318 district and each charter school the net cost for providing special educational services.
319 The department shall transmit such calculations to the school district or charter school
320 and make such calculations publicly available on the department's website.

321 (f) The February local aid payment to charter schools within the school district
322 shall be paid from the total local aid funds received in January by the school district.
323 The February local aid payment per weighted average daily attendance to charter
324 schools within the school district shall be calculated as follows:

325 a. The school district shall withhold the administrative fee described in
326 paragraph (a) of subdivision (6) of this subsection from the total local aid funds received
327 in January by the school district;

328 b. After withholding the administrative fee, the school district shall withhold
329 from the remaining local aid funds an amount equal to the school district's prior year
330 positive net cost for providing special educational services only if the school district is
331 determined to have a positive net cost by the department under paragraph (e) of this
332 subdivision;

333 c. After withholding the administrative fee, the school district shall withhold
334 from the remaining local aid funds an amount equal to the sum of the prior year positive
335 net cost for providing special educational services for charter schools within the school
336 district determined to have a positive net cost by the department under paragraph (e) of
337 this subdivision. Before March first of each year, the school district shall distribute such
338 funds to each charter school determined to have a positive net cost an amount equal to
339 each charter school's positive net cost as calculated under paragraph (e) of this
340 subdivision;

341 d. After withholding the administrative fee and special education funds under
342 subparagraphs a., b., and c. of this paragraph, the school district shall divide the
343 remaining local aid funds by the sum of the current year estimated weighted average
344 daily attendance for January of the school district plus the sum of the current year
345 estimated weighted average daily attendance for January of all charter schools within
346 the school district; and

347 e. To determine the amount of the February local aid payment to each charter
348 school within the school district, the school district shall multiply the value calculated
349 under subparagraph d. of this paragraph by the current year estimated weighted
350 average daily attendance for January for each charter school within the school district.
351 The school district shall distribute the February local aid payment to each charter
352 school within the school district before March first.

353 (g) The department shall adjust the net cost for providing special educational
354 services for each charter school and each school district that has charter schools
355 operating within the school district based on the report required in paragraph (d) of this
356 subdivision for reasons including, but not limited to, underreporting or overreporting
357 the number of students with an individualized educational plan or the cost to provide
358 services to students with an individualized educational plan, failure to draw down or
359 accrue for within the applicable fiscal year all funds to which the charter school or
360 school district is entitled under the federal Individuals with Disabilities Education Act
361 (IDEA) (20 U.S.C. Section 1400 et seq.), as amended, and costs determined by the
362 department to be excessive relative to the special educational services provided.

363 (h) Any funds received by the school district or charter school under this
364 subdivision shall not be considered when calculating a withhold or payment under
365 paragraph (f) of this subdivision in the following year.

366 (i) This subdivision shall apply beginning February 1, 2025.

367 (12) This subsection shall apply in all school districts, except metropolitan school
368 districts, to all school years beginning on or after July 1, 2023. This subsection shall
369 apply in all metropolitan school districts to all school years beginning on or after July 1,
370 2028.

371 17. The department may promulgate rules for the annual review of payments
372 and any penalties to be assessed under subsection 15 of this section. Any rule or portion
373 of a rule, as that term is defined in section 536.010, that is created under the authority
374 delegated in this section shall become effective only if it complies with and is subject to
375 all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
376 chapter 536 are nonseverable, and if any of the powers vested with the general assembly
377 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul
378 a rule are subsequently held unconstitutional, then the grant of rulemaking authority
379 and any rule proposed or adopted after August 28, 2022, shall be invalid and void.

380 18. Notwithstanding the provisions of section 1.140 to the contrary, the
381 provisions of this act shall be nonseverable, and if any provision is for any reason held to
382 be invalid, such decision shall invalidate all of the remaining provisions of this act.

167.151. 1. The school board of any district, in its discretion, may admit to the school
2 pupils not entitled to free instruction and prescribe the tuition fee to be paid by them, except
3 as provided in **subdivision (2) of subsection 3 of this section and in** sections 167.121,
4 167.131, 167.132, and 167.895.

5 2. Orphan children, children with only one parent living, and children whose parents
6 do not contribute to their support—if the children are between the ages of six and twenty
7 years and are unable to pay tuition—may attend the schools of any district in the state in
8 which they have a permanent or temporary home without paying a tuition fee.

9 3. **(1) For all school years ending on or before June 30, 2023,** any ~~[person]~~
10 **individual** who pays a school tax in any other district than that in which ~~[he]~~ **such individual**
11 resides may send ~~[his]~~ **such individual's** children to any public school in the district in which
12 the tax is paid and receive as a credit on the amount charged for tuition the amount of the
13 school tax paid to the district; except that any ~~[person]~~ **individual** who owns real estate of
14 which eighty acres or more are used for agricultural purposes and upon which ~~[his]~~ **such**
15 **individual's** residence is situated may send ~~[his]~~ **such individual's** children to public school
16 in any school district in which a part of such real estate, contiguous to that upon which ~~[his]~~
17 **such individual's** residence is situated, lies and shall not be charged tuition therefor; so long
18 as thirty-five percent of the real estate is located in the school district of choice. The school
19 district of choice shall count the children in its average daily attendance for the purpose of
20 distribution of state aid through the foundation formula.

21 **(2) For all school years beginning on and after July 1, 2023, an owner of**
22 **residential real property or agricultural real property or a named beneficiary of a trust**
23 **that owns residential real property or agricultural real property and that pays a school**
24 **tax in any district other than the district in which such owner or beneficiary resides may**
25 **send up to four of such owner's or beneficiary's children to a public school in any**
26 **district in which such owner or trust pays such school tax. The school district or public**
27 **school of choice shall count a child as a resident attending under this subdivision in its**
28 **average daily attendance for the purpose of distribution of state aid through the**
29 **foundation formula.**

30 4. **(1) For all school years ending on or before June 30, 2023,** any owner of
31 agricultural land who, ~~[pursuant to]~~ **under subdivision (1) of** subsection 3 of this section, has
32 the option of sending ~~[his]~~ **such individual's** children to the public schools of more than one
33 district ~~[shall exercise such option as provided in this subsection. Such person shall send~~
34 ~~written notice to all school districts involved specifying to which school district his children~~
35 ~~will attend by June thirtieth in which such a school year begins. If notification is not~~
36 ~~received, such children shall attend the school in which the majority of his property lies.~~
37 ~~Such person shall not send any of his children to the public schools of any district other than~~

38 ~~the one to which he has sent notice pursuant to this subsection in that school year or in which~~
39 ~~the majority of his property lies without paying tuition to such school district].~~

40 **(2) For all school years beginning on or after July 1, 2023, any owner of real**
41 **property or named beneficiary of a trust that owns real property who elects to exercise**
42 **the option provided in subdivision (2) of subsection 3 of this section shall exercise such**
43 **option as provided in this subdivision. Such owner or beneficiary shall send written**
44 **notice to all school districts involved specifying which school district each child will**
45 **attend thirty days prior to enrollment. When providing such notice, such owner or**
46 **beneficiary shall present proof of such owner's or trust's payment of at least three**
47 **thousand dollars of school taxes levied on the real property within such school district**
48 **and ownership of the real property for not less than three years. Such proof may be**
49 **determined by multiplying the school taxes paid on the most recent property tax receipt**
50 **by the years of property ownership.**

51 5. If a pupil is attending school in a district other than the district of residence and the
52 pupil's parent is teaching in the school district or is a regular employee of the school district
53 which the pupil is attending, then the district in which the pupil attends school shall allow the
54 pupil to attend school upon payment of tuition in the same manner in which the district allows
55 other pupils not entitled to free instruction to attend school in the district. The provisions of
56 this subsection shall apply only to pupils attending school in a district which has an
57 enrollment in excess of thirteen thousand pupils and not in excess of fifteen thousand pupils
58 and which district is located in a county ~~[of the first classification]~~ with a charter form of
59 government which has a population in excess of six hundred thousand persons and not in
60 excess of nine hundred thousand persons.

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