

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1266S.01I
 Bill No.: SB 296
 Subject: Auditor, State; Banks and Financial Institutions; Boards, Commissions,
 Committees and Councils; Children and Minors; Education, Elementary and
 Secondary; Elementary and Secondary Education, Department of; Tax Credits;
 Taxation and Revenue - General; Teachers; Treasurer, State
 Type: Original
 Date: February 8, 2021

Bill Summary: This proposal establishes the Education Savings Account Program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue Fund*	(\$780,842)	Substantially Greater than (\$330,537)	Substantially Greater than (\$335,399)
Total Estimated Net Effect on General Revenue	(\$780,842)	Substantially Greater than (\$330,537)	Substantially Greater than (\$335,399)

*The fiscal impact to the state is dependent upon the number of Education Savings Accounts established for Missouri students and the amounts the state contributes to these accounts (equal to state sources, or state-and-local sources). Oversight and DESE have no means to estimate this count of students – however, there are approximately 879,800 students in K-12 public schools (612,300 in K-8 and 267,500 in 9-12); plus a large number of students in private education that may also qualify for this program.

***Also,** 163.036 states school districts may use an estimate of the weighted ADA for the current year, or the weighted ADA for the immediately preceding year, or the weighted ADA attendance for the second preceding year, whichever is greater. This could result in the savings/losses reported to occur in future years, rather than the years reported. However, since Oversight is unable to determine which year each school district will use in future years to determine the amount of state aid each school district is entitled to (weighted ADA), Oversight will, for purposes of this fiscal note, assume the savings/losses will occur immediately.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
State School Moneys Fund (0616)*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue – DESE	3 FTE	3 FTE	3 FTE
Total Estimated Net Effect on FTE	3 FTE	3 FTE	3 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 166.600 – Education Savings Account Program

Oversight notes this section establishes the Education Savings Account Program.

Officials from the **Office of Administration – Budget & Planning Division (B&P)** state this proposed legislation creates the Education Savings Account Program, which grants scholarships to eligible students for participating schools.

B&P states this proposed legislation will have no direct impact on General Revenue (GR) and Total State Revenues (TSR) or impact the calculation pursuant to Article X, Section 18(e).

Oversight notes Section 166.620.3.7 would allow for any eligible student or eligible student's parent(s) to contribute up to two thousand dollars (\$2,000) annually to the eligible student's qualified tuition program established under 26 U.S.C. Section 529.

Currently, Section 166.435 permits contributions made to any qualified tuition savings program established under Section 529 of the Internal Revenue Code, up to and including eight thousand dollars per taxpayer, to be subtracted from the contributor's Federal Adjusted Gross Income to determine the contributor's Missouri Adjusted Gross Income.

Oversight notes, should any eligible student or eligible student's parent(s) contribute any amount(s) up to two thousand dollars (\$2,000) annually to an established qualified tuition plan under 26 U.S.C Section 529, the result would be a tax savings to the contributor and a revenue reduction to GR.

Oversight notes, when using a tax rate of 5.3% (Oversight's estimated tax rate for Tax Year(s) 2022 and 2023), for every contribution by a Missouri taxpayer to a qualified tuition program established under 26 U.S.C. Section 529 equal to two thousand dollars (\$2,000), GR would be reduced by \$106 ($\$2,000 * 5.3\%$).

Oversight notes eligible students include any elementary or secondary students who were eligible to attend a public school in the preceding semester.

Oversight assumes **most** students, whether currently enrolled in public schools, charter schools, private schools, home schools, virtual schools, etc., would be eligible to attend a public school during any semester.

Therefore, **Oversight** assumes students who are currently enrolled in private school could qualify as an eligible student, establish an education savings account, and receive funds deposited into such education savings account.

Oversight notes students currently attending private school are not calculated in the enrollment figures for his or her resident school district and, therefore, state school aid is not expended on such students.

Thus, **Oversight** notes this proposed legislation could result in a significant reduction to GR if students currently enrolled in private schools qualify as eligible students, participate in the program, and would now be counted in enrollment figures for his or her resident school district for purposes of calculating state aid to the resident school district.

Section 166.620 – Education Savings Accounts

Officials from **B&P** state this section requires the state to deposit into an education savings account the dollar amount the resident school district would have received to serve and educate the eligible student from state and local sources had the student enrolled in such district. B&P defers to the Missouri Department of Elementary and Secondary Education for an estimate of such deposits, and how this may impact the Foundation Formula.

Officials from the **Missouri Department of Elementary and Secondary Education (DESE)** state this section indicates that DESE shall deposit the dollar amount the resident school district would have received to serve and educate the eligible student from state and local sources had the student enrolled in such district.

Since the amount of state aid that is sent to each school district is based on the Foundation Formula and average daily attendance (ADA), DESE is unable to estimate the impact this proposed legislation may have.

DESE is not able to calculate ADA for the eligible student because they will no longer be enrolled in the school district and the school district will not have attendance information for that student. Therefore, there will be an unknown impact to schools districts and charter schools who will have funding reductions from their state aid payment.

Oversight notes this section would allow any parent of an eligible student to establish an education savings account and shall qualify for the state to make a grant to their child's education savings account if the parents promise to provide an education for their eligible student in, at least, the subjects of reading, grammar, mathematics, social studies, and science, and does not enroll their eligible student in a district or charter school.

Oversight notes an “Eligible Student” is defined as, either; “any elementary or secondary student who was eligible to attend a public school in the preceding semester or is starting school in the state for the first time. A first time enrollee shall be a member of a household whose total annual income does not exceed an amount equal to two (2) times the income standard used to qualify for free or reduced-price lunch under the National Free or Reduced-Price Lunch Program established under 42 U.S.C. Section 1751, et seq. Once a student receives a grant under this program, the student shall remain eligible regardless of household income until the student graduates high school or reaches twenty-one (21) years of age; or any elementary or secondary student who is starting school in the state for the first time and is a sibling of a student already enrolled in the program”.

This section further states that the state shall deposit into an education savings account the dollar amount the resident school district would have received to serve and educate the eligible student from **state and local** sources had the student enrolled in such district.

To determine the amount that a resident school district would have received to serve and educate an eligible student, the student shall be counted in the enrollment figures for his or her resident school district.

The funds needed for a grant shall then be subtracted from the state school aid payable to the student’s resident school district.

Oversight notes this section states the state shall deposit into an education savings account the dollar amount a school district would have received from **state and local** sources had the student enrolled in such district.

Oversight notes Subdivision 6 of this section states a participating student shall be counted in the enrollment figures for his or her resident school district for the purposes of calculating state aid to the resident school. The funds needed for a grant to an education savings account shall be subtracted from the state’s school aid payable to the student’s resident school district.

Oversight notes, while Section 166.620.2 states the state shall deposit an amount the resident school district would have received from **state and local** sources to educate and serve the student, Section 166.620.6 states a student shall be counted in the figures for the student’s resident school district for purposes of calculating state aid to the resident school district.

Oversight notes, the language is ambiguous in regards to whether or not the state would deposit amounts to eligible student’s education savings accounts equal to the amount that would have been paid to the eligible student’s resident school district from **both state and local** sources **or** whether the state would deposit amounts to eligible student’s education savings accounts equal to the amount that would have been paid to the eligible students resident school district from

only state aid revenue while local political subdivisions pay an amount to the state equal to the amount the local political subdivision would have paid the eligible student's resident school district had such eligible student enrolled in such school district.

For purposes of this fiscal note, Oversight will assume that the intent is for the state to deposit amounts to eligible student's education savings accounts equal to the amount that only the state would have paid such eligible student's resident school district while local political subdivisions pay an amount to the state equal to the amount the local political subdivision would have paid the eligible student's resident school district had such eligible student enrolled in such school district.

Oversight notes, if the actual intent is for the state to deposit amounts to eligible student's education savings accounts equal to the amount that would have been paid to the eligible student's resident school district from **both** state **and** local sources, the impact(s) reported could change substantially.

Oversight notes, currently, Section 163.036 states school districts may use an estimate of the weighted average daily attendance (ADA) for the current year, or the weighted ADA for the immediately preceding year, or the weighted ADA attendance for the second preceding year, whichever is greater. This could result in the savings/losses reported to occur in future years, rather than the years reported. However, since Oversight is unable to determine which year each school district will use in future years to determine the amount of state aid each school district is entitled to (weighted ADA), Oversight will, for purposes of this fiscal note, assume the savings/losses will occur immediately.

Oversight is unable to determine how Section 163.036 will impact this proposed legislation. Oversight assumes this proposed legislation would require real time enrollment figures, which would include the students participating in the program. Should school districts use a weighted ADA for a prior year, which may not include enrollment figures for current participating students, the calculation needed for this proposed legislation could be disrupted.

Oversight notes this section states a parent participating in the program shall agree that the funds deposited into the eligible student's account shall only be used for:

- Tuition and fees at a participating school
- Textbooks required by a participating school
- Payment to a licensed or accredited tutor
- Payment for purchase of curriculum
- Tuition or fees for a non-public online learning program
- Fees for national norm-referenced examinations, advanced placement examinations or similar courses and any examinations related to college or university admission
- Contributions of up to \$2,000 annually to the eligible student's qualified tuition program established under 26 U.S.C. Section 530 or 26 U.S.C. Section 529
- Educational services for eligible students with disabilities from an appropriate licensed or accredited practitioner or provider

- Tuition and fees at an eligible postsecondary institution
- Textbooks required for college or university courses
- Fees for account management by private financial management firms approved by the Missouri Department of Elementary and Secondary Education

This section forbids any entity that receives funds from an eligible student's education savings account to refund, rebate, or share any amounts received to or with the parent of the eligible student.

Oversight notes a "Participating School" is defined as "any private school that provides education to elementary or secondary students and has notified the Missouri Department of Elementary and Secondary Education of its intention to participate in the program and comply with the program's requirements".

Oversight notes eligible students include any elementary or secondary students who were eligible to attend a public school in the preceding semester.

Oversight assumes **most** students, whether currently enrolled in public schools, charter schools, private schools, home schools, virtual schools, etc., would be eligible to attend a public school during any semester.

Therefore, **Oversight** assumes students who are currently enrolled in private school could qualify as an eligible student, establish an education savings account, and receive funds deposited into such education savings account.

Oversight notes students currently attending private school are not calculated in the enrollment figures for his or her resident school district and, therefore, state school aid is not expended on such students.

Thus, **Oversight** notes this proposed legislation could result in a significant reduction to GR if students currently enrolled in private schools qualify as eligible students and would now be counted in enrollment figures for his or her resident school district for purposes of calculating state aid to the resident school district.

Legislation As A Whole –

Officials from **DESE** estimate programming costs will be needed to fulfill the requirements of this proposed legislation.

DESE estimates one (1) FTE Director (\$51,288 annual salary), one (1) FTE Assistant Director (\$44,352 annual salary) and one (1) FTE Administrative Assistant (\$27,960 annual salary) will be needed to administer the provisions of this proposed legislation including: the calculation of payments and providing support on how to submit data into the MOSIS Core Data system.

DESE indicates OA-ITSD will require approximately \$545,832 in Fiscal Year 2022, \$111,896 in Fiscal Year 2023, and \$114,693 in Fiscal Year 2023 for the following:

- Requirements gathering
- Analysis
- Design
- Development
- Test
- Implementation
- On-going support
- Project management

DESE states this proposed legislation will also require updates to the Student Information System in relation to new data collection and reporting; DESE does not collect some data elements that would be required under this proposed legislation. DESE estimates a cost of \$25,000 to administer the new data collection.

Furthermore, DESE assumes they will be required to create new reports with an estimated cost of \$2,719.

For purposes of this fiscal note, since the participation rate is unknown, Oversight will include DESE's administrative costs being paid from GR.

Furthermore, Oversight will include OA-ITSD programming costs being paid from GR.

Oversight is unable to determine how many students will participate in the Education Savings Account Program created under this proposed legislation. Oversight notes this proposed legislation would begin for all fiscal years beginning on or after July 1, 2022 (Fiscal Year 2023). For purposes of this fiscal note, Oversight will show the following impact(s) beginning in Fiscal Year 2023:

Revenue Reduction - GR:

Oversight will report a reduction to GR equal to a negative Unknown as a result of the state depositing dollars into an education savings account for students currently enrolled in private schools who were not previously counted in enrollment figures for his or her resident school district for purposes of calculating state aid to such resident school district.

Cost – GR:

Oversight will report a cost to GR equal to DESE's administrative costs, as reported by DESE.

Oversight will report a cost to GR equal to OA-ITSD's programming costs, as provided to DESE by OA-ITSD.

Savings/Cost Avoidance – GR:

Oversight will report a savings to GR equal to a positive Unknown as a result of the decreased amount transferred to the State School Moneys Fund as students become participating students (will net \$0 with the associated loss to GR equal to the amount deposited into education savings accounts as students become participating students).

Loss – GR:

Oversight will report a loss to GR equal to a negative Unknown as a result of the deposits into education savings accounts students become participating students (will net \$0 with the associated savings to GR equal to the amount not transferred to the State School Moneys Fund as students become participating students).

Savings/Cost Avoidance – State School Moneys Fund

Oversight will report a savings to the State School Moneys Fund equal to a positive Unknown as a result of less moneys transferred to local public school districts as students become participating students (will net \$0 with the associated loss to State School Moneys Fund equal to the amount of money not transferred to State School Moneys Fund from GR as students become participating students).

Loss – State School Moneys Fund

Oversight will report a loss to the State School Moneys Fund equal to a negative Unknown as a result of less money transferred from GR to the State School Moneys Fund as students become participating students (will net \$0 with the associated savings to State School Moneys Fund equal to the amount not transferred to public school districts as students become participating students).

Savings – Local Political Subdivisions

Oversight will report a savings to local political subdivisions equal to a positive Unknown as a result of less property tax revenue transferred to public school districts as students become participating students (will net \$0 with the associated loss to local political subdivisions equal to the amount paid to the state to be deposited into education savings accounts from local sources as students become participating students).

Oversight will report a savings to local political subdivisions equal to a positive Unknown as a result of reduced fixed costs associated with provided education and services to public school students who would become participating students. Oversight notes, even as this proposed

legislation may reduce the number of students educated by public school districts, public school districts may not immediately reduce their fixed and variable costs proportionately, including buildings and staff.

Loss – Local Political Subdivisions

Oversight will report a loss to local political subdivisions equal to a negative Unknown as a result of less moneys received from the State School Moneys Fund as students become participating students.

Oversight will report a loss to local political subdivisions equal to a negative Unknown as a result of the amount of property tax paid to the state to be deposited into education savings accounts from local sources as students become participating students (will net \$0 with the associated savings to local political subdivisions as a result of less property tax revenue transferred to public school districts as students become participating students).

Revenue Reduction – Local Political Subdivisions

Oversight will report a revenue reduction to local political subdivisions equal to a negative Unknown as a result of the increased costs associated with transporting participating students to and from participating schools as students become participating students (will net \$0 with the associated revenue gain to local political subdivisions as a result of additional state transportation aid paid to local political subdivisions as students become participating students).

Revenue Gain – Local Political Subdivisions

Oversight will report a revenue gain equal to a positive Unknown as a result of the increased amount of state transportation aid received for transporting participating students to and from participating schools as students become participating students (will net \$0 with the associated loss to political subdivisions as a result of increased costs associated with transporting participating students to and from participating schools as students become participating students).

Oversight notes Section 163.036 states school districts may use an estimate of the weighted ADA for the current year, or the weighted ADA for the immediately preceding year, or the weighted ADA attendance for the second preceding year, whichever is greater. This could result in the savings/losses reported to occur in future years, rather than the years reported. However, since Oversight is unable to determine which year each school district will use in future years to determine the amount of state aid each school district is entitled to (weighted ADA), Oversight will, for purposes of this fiscal note, assume the savings/losses will occur immediately.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and

regulations to implement the act. SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to SOS for administrative rules is less than \$5,000. SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what SOS can sustain with SOS's core budget. Therefore, SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposed legislation. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriations process.

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules from this proposed legislation with existing resources.

Officials from the **Missouri Department of Higher Education and Workforce Development**, the **Missouri Department of Revenue**, the **Columbia Police Department**, the **Crestwood Police Department**, the **Kansas City Police Department**, the **Springfield Police Department**, the **St. Joseph Police Department**, the **St. Louis County Police Department**, the **High Point R-III School District**, **Missouri State University**, **Northwest Missouri State University**, **State Technical College of Missouri**, **University of Central Missouri**, and **St. Charles Community College** do not anticipate this proposed legislation will have a fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, for purposes of this fiscal note, Oversight will not report an impact for these organizations.

<u>FISCAL IMPACT –</u> <u>State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE FUND			
<u>Revenue Reduction –</u> Section 166.620 – Contributions From Education Savings Account(s) To Qualified Tuition Program under 26 U.S.C. Section 529	\$0	(Unknown)	(Unknown)
<u>Revenue Reduction –</u> Section 166.620 – Grants Deposited Into Education Savings Account(s) For Students Who Are Currently Enrolled In Private Schools	\$0	(Unknown)	(Unknown)
<u>Cost – DESE –</u> Section(s) 166.620 – 166.650			
Personnel Services	(\$103,000)	(\$124,836)	(\$126,084)
Fringe Benefits	(\$64,613)	(\$77,952)	(\$78,373)
Equipment & Expense	(\$67,397)	(\$15,853)	(\$16,249)
Total Cost	(\$235,010)	(\$218,641)	(\$220,706)
FTE Change - DESE	3 FTE	3 FTE	3 FTE
<u>Cost – OA-ITSD –</u> Section(s) 166.660 – 166.660	(\$545,832)	(\$111,896)	(\$114,693)

<u>Savings/Cost</u> <u>Avoidance</u> – Section 166.620 – Decreased GR Transfer To State School Moneys Fund As Students Become Participating Students	\$0	Unknown	Unknown
<u>Loss</u> – Section 166.620 – Deposits Into Education Savings Account(s) That Would Have Otherwise Been Transferred To State School Moneys Fund	\$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$780,842)</u>	<u>Greater than (\$330,537)</u>	<u>Greater than (\$335,399)</u>

STATE SCHOOL MONEYS FUND (0616)			
<u>Savings/Cost Avoidance</u> – Section 166.620 – Less Money Transferred To Local Public School Districts As Students Become Participating Students	\$0	Unknown	Unknown
<u>Loss</u> – Section 166.620 – Less GR Transfer To State School Money Fund As Students Become Participating Students	\$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT –</u> <u>Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss – Section</u> 166.620 – Less Money Transferred To Local Public School Districts As Students Become Participating Students	\$0	(Unknown)	(Unknown)
<u>Savings/Cost</u> <u>Avoidance – Section</u> 166.620 – Less Property Tax Transferred To Local Public School Districts	\$0	Unknown	Unknown
<u>Loss – Section</u> 166.620 – Property Tax Paid To The State For Local Source Deposit Into Education Savings Account(s)	\$0	(Unknown)	(Unknown)
<u>Savings/Cost</u> <u>Avoidance – Section</u> 166.620 – Reduced Fixed Costs For Local Public School Districts As Students Become Participating Students	\$0	Unknown	Unknown

Revenue Reduction – Section 166.660 – Increased Costs Associated With Transportation of Participating Students To And From Participating Schools	\$0	(Unknown)	(Unknown)
Revenue Gain – Section 166.660 – Increased State Transportation Aid For Transportation Of Participating Students To And From Participating Schools	\$0	Unknown	Unknown
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0	(Unknown)	(Unknown)

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Under this proposed legislation, elementary and secondary students eligible to attend public school the previous semester or starting school for the first time qualify for the program if their household income does not exceed two (2) times the income level to qualify for free or reduced-price lunch. Students who qualify shall continue to qualify until they graduate high school or reach age twenty-one. (Section 166.610)

A parent of an eligible child may create an education savings account. The state shall deposit into each education savings account the amount the resident school district receives from state and local sources for that student, which shall be subtracted from the state school aid payable to the school district.

Parents participating in the program shall agree to use the funds in their child's account for certain qualifying expenses, as defined.

Educational providers may not refund, rebate, or share in any manner grant money with a parent or student. (Section 166.620)

This proposed legislation establishes certain duties and authority for the Department of Elementary and Secondary Education in connection with education savings accounts.

The Department shall qualify private financial management firms to manage such accounts, shall conduct or contract for random annual audits, and may conduct or contract for further account audits.

The Department may find any parent ineligible to participate in the program based on substantial misuse of account funds and may refer such cases to law enforcement agencies if there is evidence of fraud.

The Department shall provide certain information, as described in the act, about the program to parents of participating students.

The Department may deduct up to three percent of program grants to cover costs and administrative expenses, shall establish reasonable fees for the private management of accounts, and shall make quarterly payments to eligible accounts. (Section 166.630)

This proposed legislation requires participating private schools to comply with certain existing health, safety, and antidiscrimination laws and policies. Such schools shall conduct criminal background checks on employees and exclude from employment anyone not permitted to work in a private school under state law and anyone who might reasonably pose a safety threat to students.

Participating schools must provide parents with a receipt for all qualifying expenses. Schools receiving fifty thousand dollars or more from education savings accounts shall demonstrate by means specified in the act that the school can repay the funds if so required.

Participating parents shall ensure that their student takes annual standardized tests meeting requirements described in the act, that results from such testing and certain student demographic information are provided to the state, and that the Department is informed of the student's graduation from high school.

The Department shall ensure compliance with all student privacy laws, shall collect all test results, and shall provide certain data to the public via a website beginning after the third year of data collection.

The Department shall administer annual parent satisfaction surveys for participating parents covering certain topics as described.

This proposed legislation provides that participating private schools are autonomous and are not agents of state or federal governments. No state agency or officer shall regulate the educational program of participating private schools or education providers. The program does not expand the regulatory authority of the state, its officers, or school districts over private schools or education providers beyond what is necessary to enforce program requirements. Participating private schools and education providers shall be given maximum freedom to provide for students' education needs. (Section 166.640)

Under this proposed legislation, the Department shall ensure that eligible students and their parents are informed annually of the schools participating in the program, with special attention to informing lower-income families.

The Department shall create a standard form for participating in the program, which is to be readily available from various sources, including the internet.

This act provides the Department authority to bar schools and education providers from participating in the program based on factors described. (Section 166.650)

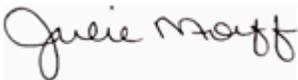
Under this proposed legislation, resident school districts shall provide complete student records to students attending schools or education providers through the program. Resident school districts shall provide transportation to eligible students to participating schools and education providers to the same extent such district would be required to provide transportation for students to private schools, and such districts shall qualify for state transportation aid for each student so transported. (Section 166.660)

This proposal has a delayed effective date of July 1, 2022.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration – Budget & Planning Division
Missouri Department of Elementary and Secondary Education
Missouri Department of Higher Education and Workforce Development
Missouri Department of Revenue
Missouri Secretary of State
Columbia Police Department
Crestwood Police Department
Kansas City Police Department
Springfield Police Department
St. Joseph Police Department
St. Louis County Police Department
High Point R-III School District
Missouri State University
Northwest Missouri State University
State Technical College of Missouri
University of Central Missouri
St. Charles Community College
Joint Committee on Administrative Rules



Julie Morff
Director
February 8, 2021



Ross Strobe
Assistant Director
February 8, 2021