## FIRST REGULAR SESSION

## SENATE BILL NO. 371

## 96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CUNNINGHAM.

Read 1st time February 28, 2011, and ordered printed.

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TERRY L. SPIELER, Secretary.

## AN ACT

To repeal section 162.081, RSMo, and to enact in lieu thereof one new section relating to lapsed school districts.

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

Section A. Section 162.081, RSMo, is repealed and one new section 2 enacted in lieu thereof, to be known as section 162.081, to read as follows:

162.081. 1. Whenever any school district in this state fails or refuses in any school year to provide for the minimum school term required by section

3 163.021 or is classified unaccredited for two successive school years by the state

4 board of education, its corporate organization shall lapse. The corporate

organization of any school district that is classified as unaccredited shall lapse

6 on June thirtieth of the second full school year of such unaccredited classification

7 after the school year during which the unaccredited classification is initially

8 assigned. The territory theretofore embraced within any district that lapses

9  $\,\,$  pursuant to this section or any portion thereof may be attached to any district for

10 school purposes by the state board of education; but no school district, except a

11 district classified as unaccredited pursuant to section 163.023 and section 160.538

12 shall lapse where provision is lawfully made for the attendance of the pupils of

13 the district at another school district that is classified as provisionally accredited

14 or accredited by the state board of education.

15 2. Prior to or at the time any school district in this state shall lapse, but

16 after the school district has been classified as unaccredited, the department of

17 elementary and secondary education shall conduct a public hearing at a location

8 in the unaccredited school district. The purpose of the hearing shall be to:

(1) Review any plan by the district to return to accredited status; or

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

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20 (2) Offer any technical assistance that can be provided to the district.

- 3. Except as otherwise provided in section 162.1100, in a metropolitan school district or an urban school district containing most or all of a city with a population greater than three hundred fifty thousand inhabitants and in any other school district if the local board of education does not anticipate a return to accredited status, the state board of education may appoint a special administrative board to supervise the financial operations, maintain and preserve the financial assets or, if warranted, continue operation of the educational programs within the district or what provisions might otherwise be made in the best interest of the education of the children of the district. The special administrative board shall consist of two persons who are residents of the school district, who shall serve without compensation, and a professional administrator, who shall chair the board and shall be compensated, as determined by the state board of education, in whole or in part with funds from the district.
- 4. Upon lapse of the district, the state board of education may:
- (1) Appoint a special administrative board, if such a board has not already been appointed, and authorize the special administrative board to retain the authority granted to a board of education for the operation of all or part of the district;
- (2) Attach the territory of the lapsed district to another district or districts for school purposes; [or]
- district, with a governance structure consistent with the laws applicable to districts of a similar size, with the option of permitting a district to remain intact for the purposes of assessing, collecting, and distributing property taxes, to be distributed equitably on a weighted average daily attendance basis, but to be divided for operational purposes, which shall take effect sixty days after the adjournment of the regular session of the general assembly next following the state board's decision unless a statute or concurrent resolution is enacted to nullify the state board's decision prior to such effective date. The special administrative board may retain the authority granted to a board of education for the operation of the lapsed school district under the laws of the state in effect at the time of the lapse; or
- (4) Divide the district's territory such that only twenty-five percent of the district's territory remains intact with the remaining seventy-five percent of the territory divided and attached to adjoining

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 accredited school districts. Any real property and personal property of the district located in the territory attached to an adjoining accredited district shall transfer to the adjoining district. If the district becomes classified as accredited by the state board of education and remains accredited for five consecutive years, all territory that was previously attached to an adjoining district and real or personal property that was transferred under this subdivision shall be transferred back to the district.

- 5. The authority of the special administrative board shall expire at the end of the third full school year following its appointment, unless extended by the state board of education. If the lapsed district is reassigned, the special administrative board shall provide an accounting of all funds, assets and liabilities of the lapsed district and transfer such funds, assets, and liabilities of the lapsed district as determined by the state board of education.
- 6. Upon recommendation of the special administrative board, the state board of education may assign the funds, assets and liabilities of the lapsed district to another district or districts. Upon assignment, all authority of the special administrative board shall transfer to the assigned districts.
- 7. Neither the special administrative board nor any district or other entity assigned territory, assets or funds from a lapsed district shall be considered a successor entity for the purpose of employment contracts, unemployment compensation payment pursuant to section 288.110, or any other purpose.
- 8. If additional teachers are needed by a district as a result of increased enrollment due to the annexation of territory of a lapsed or dissolved district, such district shall grant an employment interview to any permanent teacher of the lapsed or dissolved district upon the request of such permanent teacher.
- 9. (1) The governing body of a school district, upon an initial declaration by the state board of education that such district is provisionally accredited, may, and, upon an initial declaration by the state board of education that such district is unaccredited, shall develop a plan to be submitted to the voters of the school district to divide the school district if the district cannot attain accreditation within three years of the initial declaration that such district is unaccredited. In the case of such a district being declared unaccredited, such plan shall be presented to the voters of the district before the district lapses. In the case of such a district being declared provisionally accredited, such plan may be presented before the close of the current accreditation cycle.

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- 92 (2) The plan may provide that the school district shall remain intact for 93 the purposes of assessing, collecting and distributing taxes for support of the 94 schools, and the governing body of the district shall develop a plan for the 95 distribution of such taxes equitably on a per-pupil basis if the district selects this 96 option.
- 97 (3) The makeup of the new districts shall be racially balanced as far as 98 the proportions of students allow.
  - (4) If a majority of the district's voters approve the plan, the state board of education shall cooperate with the local board of education to implement the plan, which may include use of the provisions of this section to provide an orderly transition to new school districts and achievement of accredited status for such districts.
- [10. In the event that a school district with an enrollment in excess of five thousand pupils lapses, no school district shall have all or any part of such lapsed school district attached without the approval of the board of the receiving school district.]

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