SECOND REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 677

96TH GENERAL ASSEMBLY

Reported from the Committee on Education, March 8, 2012, with recommendation that the Senate Committee Substitute do pass. 5303S.03C TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 162.081, RSMo, and to enact in lieu thereof one new section relating to school accreditation, with an emergency clause.

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Section A. Section 162.081, RSMo, is repealed and one new section 2 enacted in lieu thereof, to be known as section 162.081, to read as follows: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 $\mathbf{2}$ any school year to provide for the minimum school term required by section 163.021 or is classified unaccredited [for two successive school years by the state 3 4 board of education, its corporate organization shall lapse. The corporate 5 organization of any school district that is classified as unaccredited shall lapse on June thirtieth of the second full school year of such unaccredited classification 6 7 after the school year during which the unaccredited classification is initially 8 assigned. The territory theretofore embraced within any district that lapses pursuant to this section or any portion thereof may be attached to any district for 9 10 school purposes by the state board of education; but no school district, except a district classified as unaccredited pursuant to section 163.023 and section 160.538 11 shall lapse where provision is lawfully made for the attendance of the pupils of 12the district at another school district that is classified as provisionally accredited 13or accredited by the state board of education], the state board of education 14shall: 15

16 (1) Review the governance of the district to establish the 17 conditions under which the existing school board shall continue to 18 govern; or

19 (2) Determine the date the district shall lapse and determine an
 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 alternative governing structure for the district.

212. [Prior to or] If at the time any school district in this state shall [lapse, but after the school district has been] be classified as unaccredited, the 2223department of elementary and secondary education shall conduct a public hearing at a location in the unaccredited school district regarding the accreditation 2425status of the school district. The hearing shall provide an opportunity 26to convene community resources that may be useful or necessary in supporting the school district as it attempts to return to accredited 2728status, continues under revised governance, or plans for continuity of educational services and resources upon its attachment to a 29neighboring district. The department may request the attendance of 3031stakeholders and district officials to review the district's plan to return 32to accredited status, if any; offer technical assistance; and facilitate and 33coordinate community resources. [The purpose of the hearing shall be 34to:

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

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

373. 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 38population greater than three hundred fifty thousand inhabitants and in any 39other school district if the local board of education does not anticipate a return 40 to accredited status, the state board of education may appoint a special 41 administrative board to supervise the financial operations, maintain and preserve 42the financial assets or, if warranted, continue operation of the educational 43programs within the district or what provisions might otherwise be made in the 44 best interest of the education of the children of the district. The special 45administrative board shall consist of two persons who are residents of the school 4647district, who shall serve without compensation, and a professional administrator, who shall chair the board and shall be compensated, as determined by the state 4849board of education, in whole or in part with funds from the district.

50 4.] 3. Upon [lapse of the district] classification of a district as 51 unaccredited, the state board of education may:

52 (1) Allow continued governance by the existing school district
53 board of education under terms and conditions established by the state
54 board of education;

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(2) Appoint a special administrative board, [if such a board has not

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already been appointed, and authorize the special administrative board to retain

the authority granted to a board of education] determining the number of
members and specifying the board's duties for the operation of all or part
of the district;

60 [(2)] (3) Determine an alternative governing structure for the 61 district including, at a minimum:

62 (a) A rationale for the decision to use an alternative form of 63 governance and in the absence of the district's achievement of full 64 accreditation, the state board of education shall review and recertify 65 the alternative form of governance every three years;

(b) A method for the residents of the district to provide public
comment after a stated period of time or upon achievement of specified
academic objectives;

(c) Expectations for progress on academic achievement, which
shall include an anticipated timeline for the district to reach full
accreditation; and

(d) Annual reports to the general assembly and the governor on the progress towards accreditation of any district that has been declared unaccredited and is placed under an alternative form of governance, including a review of the effectiveness of the alternative governance;

(4) Attach the territory of the lapsed district to another district ordistricts for school purposes; or

79 [(3)] (5) Establish one or more school districts within the territory of the lapsed district, with a governance structure [consistent with the laws applicable 80 to districts of a similar size] specified by the state board of education, with 81 the option of permitting a district to remain intact for the purposes of assessing, 8283 collecting, and distributing property taxes, to be distributed equitably on a 84 weighted average daily attendance basis, but to be divided for operational purposes, which shall take effect sixty days after the adjournment of the regular 85session of the general assembly next following the state board's decision unless 86 a statute or concurrent resolution is enacted to nullify the state board's decision 87 prior to such effective date. [The special administrative board may retain the 88 authority granted to a board of education for the operation of the lapsed school 89 90 district under the laws of the state in effect at the time of the lapse.]

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[5.] 4. A special administrative board appointed under this

section shall retain the authority granted to a board of education for 9293 the operation of the lapsed school district under the laws of the state in effect at the time of the lapse. The authority of the special administrative 94board shall expire at the end of the third full school year following its 95appointment, unless extended by the state board of education. If the lapsed 96district is reassigned, the special administrative board shall provide an 97 98accounting 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 99 100 board of education.

101 [6. Upon recommendation of the special administrative board, the state 102 board of education may assign the funds, assets and liabilities of the lapsed 103 district to another district or districts. Upon assignment, all authority of the 104 special administrative board shall transfer to the assigned districts.

105 7.] 5. Neither the special administrative board nor any district or other 106 entity assigned territory, assets or funds from a lapsed district shall be 107 considered a successor entity for the purpose of employment contracts, 108 unemployment compensation payment pursuant to section 288.110, or any other 109 purpose.

110 [8.] 6. If additional teachers are needed by a district as a result of 111 increased enrollment due to the annexation of territory of a lapsed or dissolved 112 district, such district shall grant an employment interview to any permanent 113 teacher of the lapsed or dissolved district upon the request of such permanent 114 teacher.

[9. (1) The governing body of a school district, upon an initial declaration 115by the state board of education that such district is provisionally accredited, may, 116and, upon an initial declaration by the state board of education that such district 117is unaccredited, shall develop a plan to be submitted to the voters of the school 118district to divide the school district if the district cannot attain accreditation 119within three years of the initial declaration that such district is unaccredited. In 120the case of such a district being declared unaccredited, such plan shall be 121122presented 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 123124presented before the close of the current accreditation cycle.

(2) The plan may provide that the school district shall remain intact for
the purposes of assessing, collecting and distributing taxes for support of the
schools, and the governing body of the district shall develop a plan for the

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128 distribution of such taxes equitably on a per-pupil basis if the district selects this129 option.

(3) The makeup of the new districts shall be racially balanced as far asthe 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.

137 10.] 7. In the event that a school district with an enrollment in excess of 138 five thousand pupils lapses, no school district shall have all or any part of such 139 lapsed school district attached without the approval of the board of the receiving 140 school district.

8. No action of the state board of education pursuant to this section shall be construed to supersede the right of a student residing in an unaccredited school district, under section 167.131, to transfer to an accredited district in the same or an adjoining county and have his or her tuition paid by his or her school district of residence.

Section B. Because of the need to provide immediate guidance on the operations of unaccredited districts, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.

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