

SECOND REGULAR SESSION  
[ P E R F E C T E D ]  
SENATE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 677**  
96TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR PEARCE.

Offered April 2, 2012.

Senate Substitute adopted, April 2, 2012.

Taken up for Perfection April 2, 2012. Bill declared Perfected and Ordered Printed, as amended.

TERRY L. SPIELER, Secretary.

5303S.06P

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**AN ACT**

To repeal sections 162.081 and 162.083, RSMo, and to enact in lieu thereof two new sections relating to school accreditation, with an emergency clause.

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

Section A. Sections 162.081 and 162.083, RSMo, are repealed and two new  
2 sections enacted in lieu thereof, to be known as sections 162.081 and 162.083, to  
3 read as follows:

162.081. 1. Whenever any school district in this state fails or refuses in  
2 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  
5 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], **the state board of education**

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

15 **shall:**

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**  
20 **alternative governing structure for the district.**

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

35 **to:**

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

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

38 3. Except as otherwise provided in section 162.1100, in a metropolitan  
39 school district or an urban school district containing most or all of a city with a  
40 population greater than three hundred fifty thousand inhabitants and in any  
41 other school district if the local board of education does not anticipate a return  
42 to accredited status, the state board of education may appoint a special  
43 administrative board to supervise the financial operations, maintain and preserve  
44 the financial assets or, if warranted, continue operation of the educational  
45 programs within the district or what provisions might otherwise be made in the  
46 best interest of the education of the children of the district. The special  
47 administrative board shall consist of two persons who are residents of the school  
48 district, who shall serve without compensation, and a professional administrator,  
49 who shall chair the board and shall be compensated, as determined by the state  
50 board of education, in whole or in part with funds from the district.

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

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

56           (2) **Appoint a special administrative board, [if such a board has not**  
57 **already been appointed, and authorize the special administrative board to retain**  
58 **the authority granted to a board of education] for the operation of all or part of**  
59 **the district. The number of members of the special administrative board**  
60 **shall not be less than five, the majority of whom shall be residents of**  
61 **the district. The members of the special administrative board shall**  
62 **reflect the population characteristics of the district and shall**  
63 **collectively possess strong experience in governance, management and**  
64 **finance, school leadership, and educational curriculum. Any special**  
65 **administrative board appointed under this section shall be responsible**  
66 **for the operation of the district until such time that the district is**  
67 **classified by the state board of education as provisionally accredited**  
68 **for two successive academic years, after which time the state board of**  
69 **education shall provide for a transition pursuant to section 162.083;**

70           [(2)] **(3) Determine an alternative governing structure for the**  
71 **district including, at a minimum:**

72           (a) **A rationale for the decision to use an alternative form of**  
73 **governance and in the absence of the district's achievement of full**  
74 **accreditation, the state board of education shall review and recertify**  
75 **the alternative form of governance every three years;**

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

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

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

87           (4) **Attach the territory of the lapsed district to another district or**

88 districts for school purposes; or

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

101            **[5.] 4. A special administrative board appointed under this**  
102 **section shall retain the authority granted to a board of education for**  
103 **the operation of the lapsed school district under the laws of the state**  
104 **in effect at the time of the lapse, and shall also have the authority to**  
105 **void any existing contracts to which the lapsed district was a party at**  
106 **the time of the lapse and enter into contracts with accredited school**  
107 **districts or other education service providers in order to deliver high**  
108 **quality educational programs to the residents of the district. If a**  
109 **student graduates while attending a school building in the district that**  
110 **is operated under a contract with an accredited school district as**  
111 **specified under this subsection, the student shall receive his or her**  
112 **diploma from the accredited school district.** The authority of the special  
113 administrative board shall expire at the end of the third full school year following  
114 its appointment, unless extended by the state board of education. If the lapsed  
115 district is reassigned, the special administrative board shall provide an  
116 accounting of all funds, assets and liabilities of the lapsed district and transfer  
117 such funds, assets, and liabilities of the lapsed district as determined by the state  
118 board of education. **Neither the special administrative board nor its**  
119 **members or employees shall be deemed to be the state or a state agency**  
120 **for any purpose, including section 105.711, et seq. The state of**  
121 **Missouri, its agencies and employees, shall be absolutely immune from**  
122 **liability for any and all acts or omissions relating to or in any way**  
123 **involving the lapsed district, the special administrative board, its**

124 **members or employees. Such immunities, and immunity doctrines as**  
125 **exist or may hereafter exist benefitting boards of education, their**  
126 **members and their employees shall be available to the special**  
127 **administrative board, its members and employees.**

128 [6. Upon recommendation of the special administrative board, the state  
129 board of education may assign the funds, assets and liabilities of the lapsed  
130 district to another district or districts. Upon assignment, all authority of the  
131 special administrative board shall transfer to the assigned districts.

132 7. Neither the special administrative board nor any] **5. No** district or  
133 other entity, **other than a special administrative board, that is** assigned  
134 territory, assets or funds from a lapsed district shall be considered a successor  
135 entity for the purpose of employment contracts, unemployment compensation  
136 payment pursuant to section 288.110, or any other purpose.

137 [8.] **6.** If additional teachers are needed by a district as a result of  
138 increased enrollment due to the annexation of territory of a lapsed or dissolved  
139 district, such district shall grant an employment interview to any permanent  
140 teacher of the lapsed or dissolved district upon the request of such permanent  
141 teacher.

142 [9. (1) The governing body of a school district, upon an initial declaration  
143 by the state board of education that such district is provisionally accredited, may,  
144 and, upon an initial declaration by the state board of education that such district  
145 is unaccredited, shall develop a plan to be submitted to the voters of the school  
146 district to divide the school district if the district cannot attain accreditation  
147 within three years of the initial declaration that such district is unaccredited. In  
148 the case of such a district being declared unaccredited, such plan shall be  
149 presented to the voters of the district before the district lapses. In the case of  
150 such a district being declared provisionally accredited, such plan may be  
151 presented before the close of the current accreditation cycle.

152 (2) The plan may provide that the school district shall remain intact for  
153 the purposes of assessing, collecting and distributing taxes for support of the  
154 schools, and the governing body of the district shall develop a plan for the  
155 distribution of such taxes equitably on a per-pupil basis if the district selects this  
156 option.

157 (3) The makeup of the new districts shall be racially balanced as far as  
158 the proportions of students allow.

159 (4) If a majority of the district's voters approve the plan, the state board

160 of education shall cooperate with the local board of education to implement the  
161 plan, which may include use of the provisions of this section to provide an orderly  
162 transition to new school districts and achievement of accredited status for such  
163 districts.

164 10.] 7. In the event that a school district with an enrollment in excess of  
165 five thousand pupils lapses, no school district shall have all or any part of such  
166 lapsed school district attached without the approval of the board of the receiving  
167 school district.

168 8. **Nothing in this section or section 162.083 shall supersede, or**  
169 **be construed to supersede, the provisions of section 167.131 and section**  
170 **167.241. No action of the state board of education shall be contrary to**  
171 **the provisions of section 167.131 and section 167.241.**

162.083. 1. The state board of education may appoint additional members  
2 to any special administrative board appointed under section 162.081.

3 2. The state board of education may set a final term of office for any  
4 member of a special administrative board, after which a successor member shall  
5 be elected by the voters of the district.

6 (1) All final terms of office for members of the special administrative  
7 board established under this section shall expire on June thirtieth.

8 (2) The election of a successor member shall occur on the general  
9 municipal election day immediately prior to the expiration of the final term of  
10 office.

11 (3) The election shall be conducted in a manner consistent with the  
12 election laws applicable to the school district.

13 3. Nothing in this section shall be construed as barring an otherwise  
14 qualified member of the special administrative board from standing for an elected  
15 term on the board.

16 4. [If the state board of education appoints a successor member to replace  
17 the chair of the special administrative board, the serving members of the special  
18 administrative board shall be authorized to appoint a superintendent of schools  
19 and contract for his or her services.

20 5.] On a date set by the state board of education, any district operating  
21 under the governance of a special administrative board shall return to local  
22 governance, and continue operation as a school district as otherwise authorized  
23 by law.

Section B. Because of the need to provide immediate guidance on the

2 operations of unaccredited districts, section A of this act is deemed necessary for  
3 the immediate preservation of the public health, welfare, peace and safety, and  
4 is hereby declared to be an emergency act within the meaning of the constitution,  
5 and section A of this act shall be in full force and effect upon its passage and  
6 approval.

✓

Unofficial

Bill

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