# FIRST REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 7

#### 97TH GENERAL ASSEMBLY

Reported from the Committee on Education, January 31, 2013, with recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

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## AN ACT

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

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Section A. Sections 162.081 and 162.083, RSMo, are repealed and three

- 2 new sections enacted in lieu thereof, to be known as sections 162.081, 162.083,
- 3 and 162.1300, to 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
- 15 shall:
- 16 (1) Review the governance of the district to establish the
- 17 conditions under which the existing school board shall continue to

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18 govern; or

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- 19 (2) Determine the date the district shall lapse and determine an 20 alternative governing structure for the district.
  - 2. [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 department of elementary and secondary education shall conduct [a] at least two public [hearing] hearings at a location in the unaccredited school district regarding the accreditation status of the school district. The hearings shall provide an opportunity to convene community resources that may be useful or necessary in supporting the school district as it attempts to return to accredited status, continues under revised governance, or plans for continuity of educational services and resources upon its attachment to a neighboring district. The department may request the attendance of stakeholders and district officials to review the district's plan to return to accredited status, if any; offer technical assistance; and facilitate and coordinate community resources. [The purpose of the hearing shall be to:
- 35 (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.
- 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 38 39 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 40 to accredited status, the state board of education may appoint a special administrative board to supervise the financial operations, maintain and preserve 42 the financial assets or, if warranted, continue operation of the educational 43 programs within the district or what provisions might otherwise be made in the 45 best interest of the education of the children of the district. The special 46 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.] 3. Upon [lapse of the district] classification of a district as **unaccredited**, the state board of education may:
  - (1) Allow continued governance by the existing school district board of education under terms and conditions established by the state

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54 board of education; or

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- 55 (2) Lapse the corporate organization of the unaccredited district 56 and:
- 57 (a) Appoint a special administrative board, [if such a board has not 58 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 59 60 the district. The number of members of the special administrative board 61 shall not be less than five, the majority of whom shall be residents of 62 the district. The members of the special administrative board shall 63 reflect the population characteristics of the district and shall 64 collectively possess strong experience in school governance, management and finance, and leadership. Any special administrative 66 board appointed under this section shall be responsible for the 67 operation of the district until such time that the district is classified by the state board of education as provisionally accredited for two successive academic years, after which time the state board of 69 70 education may provide for a transition pursuant to section 162.083; or
  - [(2)] (b) Determine an alternative governing structure for the district including, at a minimum:
  - a. A rationale for the decision to use an alternative form of governance and in the absence of the district's achievement of full accreditation, the state board of education shall review and recertify 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; or
- 88 **(c)** Attach the territory of the lapsed district to another district or 89 districts for school purposes; or
  - [(3)] (d) Establish one or more school districts within the territory of the

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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 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 94weighted average daily attendance basis, but to be divided for operational 95purposes, 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 98 a statute or concurrent resolution is enacted to nullify the state board's decision 99 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 100 101 district under the laws of the state in effect at the time of the lapse.]

[5.] 4. A special administrative board appointed under this section shall 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 and may enter into contracts with accredited school districts or other education service providers in order to deliver high quality educational programs to the residents of the district. If a student graduates while attending a school building in the district that is operated under a contract with an accredited school district as specified under this subsection, the student shall receive his or her diploma from the accredited school district. 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. Neither the special administrative board nor its members or employees shall be deemed to be the state or a state agency for any purpose, including section 105.711, et seq. The state of Missouri, its agencies and employees, shall be absolutely immune from liability for any and all acts or omissions relating to or in any way involving the lapsed district, the special administrative board, its members or employees. Such immunities, and immunity doctrines as exist or may hereafter exist benefitting boards of education, their members and their employees shall be available to the special administrative board, its members and employees.

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[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.] 5. 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.] 6. 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.
- 141 [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, 142 143 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 144 145 district to divide the school district if the district cannot attain accreditation 146 within three years of the initial declaration that such district is unaccredited. In 147 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 148 149 such a district being declared provisionally accredited, such plan may be 150 presented 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 distribution of such taxes equitably on a per-pupil basis if the district selects this option.
- 156 (3) The makeup of the new districts shall be racially balanced as far as 157 the proportions of students allow.
- 158 (4) If a majority of the district's voters approve the plan, the state board 159 of education shall cooperate with the local board of education to implement the 160 plan, which may include use of the provisions of this section to provide an orderly 161 transition to new school districts and achievement of accredited status for such 162 districts.

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163 10.] 7. 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.

162.083. 1. The state board of education may appoint additional members 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.
- 3. Nothing in this section shall be construed as barring an otherwise qualified member of the special administrative board from standing for an elected term on the board.
- 4. [If the state board of education appoints a successor member to replace the chair of the special administrative board, the serving members of the special administrative board shall be authorized to appoint a superintendent of schools and contract for his or her services.
- 5.] On a date set by the state board of education, any district operating under the governance of a special administrative board shall return to local governance, and continue operation as a school district as otherwise authorized by law.

162.1300. If a change in school district boundary lines occurs under section 162.223, 162.431, 162.441, or 162.451, or by action of the state board of education under section 162.081, including attachment of a school district's territory to another district or dissolution, such that a school district receives additional students as a result of such change, the statewide assessment scores and all other performance data for those students whom the district received shall not be used for three years when calculating the performance of the receiving district for three school years for purposes of the Missouri school improvement

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### 10 program.

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.

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