

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

HOUSE BILL NO. 1646

BY: HEFNER

AS INTRODUCED

AN ACT RELATING TO SCHOOLS; AMENDING SECTION 4, CHAPTER 323, O.S.L. 1989, AS LAST AMENDED BY SECTION 9, CHAPTER 257, O.S.L. 1990 (70 O.S. SUPP. 1990, SECTION 7-203), WHICH RELATES TO THE SCHOOL CONSOLIDATION ASSISTANCE FUND; MODIFYING PROVISIONS REGARDING USE OF FUNDS; MODIFYING PROVISIONS REGARDING ELIGIBILITY FOR MONIES FROM FUND FOR CAPITAL PURPOSES; ESTABLISHING PROCEDURES FOR CERTAIN DISTRICTS TO BECOME ELIGIBLE FOR FUNDS FOR CAPITAL PURPOSES; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 4, Chapter 323, O.S.L. 1989, as last amended by Section 9, Chapter 257, O.S.L. 1990 (70 O.S. Supp. 1990, Section 7-203), is amended to read as follows:

Section 7-203. A. There is hereby created in the State Treasury a fund to be designated the "School Consolidation Assistance Fund." The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies the

Legislature may appropriate or transfer to the fund and any monies contributed for the fund from any other source, public or private.

B. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Board of Education for the purposes established by the Legislature herein and in accordance with rules and regulations promulgated by the State Board of Education. The purposes shall be to provide voluntarily consolidated school districts or districts who have received part or all of the territory and part or all of the students of a school district dissolved by voluntary annexation, during the first year of consolidation or annexation, with a single one-year allocation of funds ~~needed~~ for, but not limited to, the following items:

1. Purchase of uniform textbooks in cases where the several districts were not using the same textbooks prior to consolidation or annexation;

2. Employment of certified personnel required to teach courses of the district for which personnel from the districts consolidated or annexed are not certified and available;

3. Employment assistance for personnel of the several districts who are not employed by the consolidated or annexing district, which may include provision of a severance allowance for administrators, teachers and support personnel not to exceed eighty percent (80%) of the individual's salary or wages, exclusive of fringe benefits, for the school year preceding the consolidation or annexation.

Personnel receiving such severance pay may accumulate one (1) year of creditable service for retirement purposes;

4. Furnishing and equipping classrooms and laboratories;

5. Purchase of additional transportation equipment; and

6. When deemed essential by the State Board of Education to achieve consolidation or combination by annexation, renovation of existing school buildings and construction or other acquisition of

school buildings; ~~provided, a~~ in accordance with subsection C of this section.

C. A consolidated district or annexing district shall not be eligible for any monies for renovation or construction or other acquisition of school buildings pursuant to ~~Section 7-201 et seq. of this title~~ section until either:

1. the board of education and the electors of the newly formed district or annexing district approve all the maximum levies allowable pursuant to subsections (a), (c), (d) and (d-1) of Section 9 of Article X of the Oklahoma Constitution and Section 10 of Article X of the Oklahoma Constitution and until the newly formed district or annexing district incurs at least eighty-five percent (85%) of the maximum indebtedness, including existing indebtedness, allowable under Section 26 of Article X of the Oklahoma Constitution; or
2. the board of education has caused an election to be held, after the board has filed its notification of intent to annex or consolidate pursuant to Section 3-104.6 of this title, asking the electors of the district to approve the maximum levies allowable and to incur at least eighty-five percent (85%) of the maximum bonded indebtedness allowable as described in paragraph 1 of this subsection, and the electors have failed to approve such maximum levies and such eighty-five percent (85%) of the maximum bonded indebtedness allowable, and the members of the board of education have been granted a waiver of the requirements of paragraph 1 of this subsection by the State Board of Education after the school district board of education has demonstrated a good faith effort to have the

levies and bonded indebtedness approved by the electors of the school district.

~~C.~~ D. The State Board of Education shall only make allocations from the fund to school districts formed from the combination of two or more of the districts whose boards of education notify the State Board of Education on or before July 1, 1991, of their intent to annex or consolidate and are subsequently combined by such means. If the boards of education of more than two hundred fifty such districts apply, allocations will be made only to districts formed from the combination of two or more of the first two hundred fifty such districts making application.

~~D.~~ E. Allocations will be made to school districts formed by consolidation or which have received part or all of the territory and students of a school district by annexation on the basis of combined average daily membership (ADM) of the second school year preceding the first year of operation of the school district resulting from the consolidation or annexation; provided, not more than five hundred ADM of any one school district shall be counted in determining the combined ADM of any district formed by consolidation or which has received part or all of the territory and students of a school district by annexation. In no event shall the ADM of any one school district be considered more than once for allocations from the fund when the school district annexes to or consolidates with two or more school districts.

~~E.~~ F. To calculate combined ADM in cases where a school district annexes to two or more school districts, allocations from the fund shall be based on the lesser of:

1. the annexing school district's ADM as limited by this section plus the number of students from the annexed school district that the annexing school district will gain; or

2. the ADM as limited by this section that the annexing school district is gaining from the annexed school district plus the

annexing school district's ADM as multiplied by the percentage of students the annexing school district is receiving from the annexed school district of all annexing school districts; provided the annexing school district's ADM thus calculated shall not exceed five hundred (500).

~~F.~~ G. Allocations from the fund shall be calculated by multiplying the combined ADM by:

1. Five Hundred Dollars (\$500.00) when two districts are combined;
2. Six Hundred Dollars (\$600.00) when three districts are combined;
3. Seven Hundred Dollars (\$700.00) when four districts are combined; and
4. Eight Hundred Dollars (\$800.00) when five or more districts are combined.

~~Allocations, nevertheless,~~ to a school district for capital purposes pursuant to paragraph 2 of subsection C of this section shall be limited to the amount justified for meeting ~~eligible~~ the capital needs ~~as set forth in paragraphs 1 through 6 of subsection B of this section~~ of the school district. If monies in the School Consolidation Assistance Fund are insufficient to make allocations to all qualified combined districts, allocations shall be made based upon earliest date of application.

~~G.~~ H. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 2. This act shall become effective July 1, 1991.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-1-5883

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