

## SENATE FLOOR VERSION

April 11, 2011

As Amended

## ENGROSSED HOUSE

BILL NO. 2115

By: Hickman and Denney of the House

and

Ford and Branen of the  
Senate

[ schools - Oklahoma School Consolidation and  
Annexation Act - expanding application - requiring  
certain notification - effective date -

emergency ]

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 7-202, as

last amended by Section 3, Chapter 448, O.S.L. 2009 (70 O.S. Supp. 2010, Section 7-202), is amended to read as follows:

Section 7-202. The provisions of the Oklahoma School

Consolidation and Annexation Act shall apply only to school districts whose entire territory has been annexed to one or more existing school districts or which have been created by the consolidation of two or more existing school districts in accordance with the provisions of Section 7-101 et seq. of this title or to school districts which have entered into a mutual contract with a

1     superintendent as authorized pursuant to Section 5-106A of this  
2     title.

3                     SECTION 2.           AMENDATORY           70 O.S. 2001, Section 7-203, as  
4     last amended by Section 4, Chapter 448, O.S.L. 2009 (70 O.S. Supp.  
5     2010, Section 7-203), is amended to read as follows:

6                     Section 7-203. A. There is hereby created in the State  
7     Treasury a fund to be designated the "School Consolidation  
8     Assistance Fund". The fund shall be a continuing fund, not subject  
9     to fiscal year limitations, and shall consist of any monies the  
10   Legislature may appropriate or transfer to the fund and any monies  
11   contributed for the fund from any other source, public or private.

12                   B. All monies accruing to the credit of said the fund are  
13     hereby appropriated and may be budgeted and expended by the State  
14     Board of Education for the purposes established by this section, the  
15     Legislature and in accordance with rules promulgated by the State  
16     Board of Education. The purposes shall be to provide voluntarily:

17                   1. Voluntarily or mandatorily consolidated school districts or  
18     districts who have received part or all of the territory and part or  
19     all of the students of a school district dissolved by voluntary or  
20     mandatory annexation, during the first year of consolidation or  
21     annexation with a single one-year allocation of funds needed for:

22                   1. Purchase

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1           a. purchase of uniform textbooks in cases where the  
2                   several districts were not using the same textbooks  
3                   prior to consolidation or annexation.,

4           2. Employment

5           b. employment of certified personnel required to teach  
6                   courses of the district for which personnel from the  
7                   districts consolidated or annexed are not certified  
8                   and available.,

9           3. Employment

10           c. employment assistance for personnel of the several  
11                   districts who are not employed by the consolidated or  
12                   annexing district. Employment assistance may include  
13                   provision of a severance allowance for administrators,  
14                   teachers and support personnel not to exceed eighty  
15                   percent (80%) of the individual's salary or wages,  
16                   exclusive of fringe benefits, for the school year  
17                   preceding the consolidation or annexation. Personnel  
18                   receiving such severance pay may accumulate one (1)  
19                   year of creditable service for retirement purposes.

20                   Employment assistance may also include the payment of  
21                   unemployment compensation benefits. The State Board  
22                   of Education shall provide a severance allowance to  
23                   employees dismissed from employment due to annexation  
24                   or consolidation of a school district in the year of

the annexation or consolidation and who were denied a severance allowance or unemployment compensation benefits and the voluntary consolidation funding of the annexing or consolidating district or districts has been paid on or after July 1, 2003, at the maximum allowable amount. Application for a severance allowance shall be made to the Finance Division of the State Department of Education by the dismissed employee no later than September 1 of the fiscal year immediately following the fiscal year in which the annexation or consolidation occurred;

#### 4. Furnishing

d. furnishing and equipping classrooms and laboratories,

## 5. Purchase

e. purchase of additional transportation equipment, and

## 6. When

f. when deemed essential by the school district board of education to achieve consolidation or combination by annexation, renovation of existing school buildings and construction or other acquisition of school buildings; and

2. Assistance to school districts which have entered into a

mutual contract with a superintendent as authorized pursuant to

Section 5-106A of this title in paying the salary or wages of the

1 superintendent. The assistance shall equal not more than fifty  
2 percent (50%) of the salary or wages of the superintendent for not  
3 more than three (3) consecutive years. In no case shall the total  
4 amount of assistance paid over the three-year period be more than  
5 Two Hundred Thousand Dollars (\$200,000.00) **nor shall any school**  
6 **district be eligible to receive assistance pursuant to this**  
7 **paragraph for more than one time period not to exceed three (3)**  
8 **years.**

9 C. The State Board of Education shall only make allocations  
10 from the fund to school districts formed from the combination of two  
11 or more of the districts whose boards of education notify the State  
12 Board of Education on or before June 30 of their intent to annex or  
13 consolidate and are subsequently combined by such means by January 1  
14 of the second year following the notification of intent. **The boards**  
15 **of education which have entered into a mutual contract with a**  
16 **superintendent shall notify the Board on or before June 30 of the**  
17 **year preceding the school year the mutual contract will become**  
18 **effective.**

19 D. Allocations will be made to school districts formed by  
20 voluntary or mandatory consolidation on the basis of combined  
21 average daily membership (ADM) of the school year preceding the  
22 first year of operation of the school district resulting from the  
23 consolidation; provided, not more than two hundred (200) ADM of any  
24 one school district shall be counted in determining the combined ADM

1 of any district formed by consolidation. The ADM of any one school  
2 district shall not be considered more than once for allocations from  
3 the fund when the school district consolidates with two or more  
4 school districts. Allocations from the fund pursuant to this  
5 subsection shall be calculated by multiplying the combined ADM by  
6 Two Thousand Five Hundred Dollars (\$2,500.00).

7 E. Allocations will be made to school districts which have  
8 received part or all of the territory and students of a school  
9 district by voluntary or mandatory annexation on the basis of ADM of  
10 the annexed school district for the school year preceding the first  
11 year of operation of the school district resulting from the  
12 annexation; provided, not more than two hundred (200) ADM of the  
13 annexed district shall be counted. Allocations from the fund  
14 pursuant to this subsection shall be calculated by multiplying the  
15 allowable ADM by Five Thousand Dollars (\$5,000.00). In no case  
16 shall allocations payable pursuant to this subsection be ~~less than~~  
17 ~~Four Hundred Thousand Dollars (\$400,000.00) or~~ greater than One  
18 Million Dollars (\$1,000,000.00).

19 F. If monies in the School Consolidation Assistance Fund are  
20 insufficient to make allocations to all qualified combined  
21 districts, allocations shall be made based upon ~~earliest date of~~  
22 application the determination of the State Board of Education.

1 SECTION 3. AMENDATORY 70 O.S. 2001, Section 7-204, as  
2 last amended by Section 5, Chapter 448, O.S.L. 2009 (70 O.S. Supp.  
3 2010, Section 7-204), is amended to read as follows:

4 Section 7-204. Consolidated districts and districts combined by  
5 annexation which are created pursuant to the Oklahoma School  
6 Consolidation and Annexation Act and districts that have entered  
7 into a mutual contract with a superintendent shall have for three  
8 (3) subsequent consecutive years after consolidation or, annexation  
9 or the effective date of the mutual contract preference for  
10 allocations from funds appropriated to the State Board of Education  
11 for Community Education, Alternative and High Challenge Schools,  
12 School/Community Network for Arts-in-Education, Instructional  
13 Cooperative and Technical Education, Advanced Placement Incentives,  
14 and for all other allocations made by the Board on a competitive  
15 basis.

16 SECTION 4. This act shall become effective July 1, 2011.

17 SECTION 5. It being immediately necessary for the preservation  
18 of the public peace, health and safety, an emergency is hereby  
19 declared to exist, by reason whereof this act shall take effect and  
20 be in full force from and after its passage and approval.

21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 4-6-11 - DO  
22 PASS, As Amended and Coauthored.

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