

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 3157

By: Hickman

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6 AS INTRODUCED

7 An Act relating to schools; amending 70 O.S. 2011,  
8 Sections 7-202, 7-203 and 7-204, which relate to the  
9 Oklahoma School Consolidation and Annexation Act;  
10 expanding application of Act to school districts that  
11 have entered into certain additional mutual  
12 contracts; defining terms; adding certain additional  
13 mutual contracts; establishing a limit on the amount  
14 paid and the time period of payment for certain  
15 mutual contracts; expanding eligibility for certain  
16 funding preferences to school districts that entered  
17 into certain additional mutual contracts; providing  
18 an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 7-202, is  
amended to read as follows:

Section 7-202. A. 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

1 school districts which have entered into a mutual contract with a  
2 ~~superintendent~~ school employee as authorized pursuant to Section 5-  
3 106A of this title.

4 B. For purposes of the Oklahoma School Consolidation and  
5 Annexation Act, "school employee" means a superintendent,  
6 administrator, program director, school nurse, human resources  
7 personnel, payroll personnel, library media specialist or any other  
8 person who provides administrative support services. School  
9 employee shall not mean any person who is a principal, classroom  
10 teacher or nonclassified optional personnel as defined in Section  
11 17-101 of this title.

12 SECTION 2. AMENDATORY 70 O.S. 2011, Section 7-203, is  
13 amended to read as follows:

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

20 B. All monies accruing to the credit of the fund are hereby  
21 appropriated and may be budgeted and expended by the State Board of  
22 Education for the purposes established by this section, the  
23 Legislature and in accordance with rules promulgated by the State  
24 Board of Education. The purposes shall be to provide:

1           1. Voluntarily or mandatorily consolidated school districts or  
2 districts ~~who~~ which have received part or all of the territory and  
3 part or all of the students of a school district dissolved by  
4 voluntary or mandatory annexation, during the first year of  
5 consolidation or annexation with a single one-year allocation of  
6 funds needed for:

7           a. purchase of uniform textbooks in cases where the  
8                 several districts were not using the same textbooks  
9                 prior to consolidation or annexation,

10          b. employment of certified personnel required to teach  
11                 courses of the district for which personnel from the  
12                 districts consolidated or annexed are not certified  
13                 and available,

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

1 unemployment compensation benefits. The State Board  
2 of Education shall provide a severance allowance to  
3 employees dismissed from employment due to annexation  
4 or consolidation of a school district in the year of  
5 the annexation or consolidation and who were denied a  
6 severance allowance or unemployment compensation  
7 benefits and the voluntary consolidation funding of  
8 the annexing or consolidating district or districts  
9 has been paid on or after July 1, 2003, at the maximum  
10 allowable amount. Application for a severance  
11 allowance shall be made to the Finance Division of the  
12 State Department of Education by the dismissed  
13 employee no later than September 1 of the fiscal year  
14 immediately following the fiscal year in which the  
15 annexation or consolidation occurred,

- 16 d. furnishing and equipping classrooms and laboratories,
- 17 e. purchase of additional transportation equipment, and
- 18 f. when deemed essential by the school district board of  
19 education to achieve consolidation or combination by  
20 annexation, renovation of existing school buildings  
21 and construction or other acquisition of school  
22 buildings; and

23 2. Assistance to school districts which have entered into a  
24 mutual contract with a ~~superintendent~~ school employee as authorized

1 pursuant to Section 5-106A of this title in paying the salary or  
2 wages of the ~~superintendent~~ school employee. The assistance shall  
3 equal not more than fifty percent (50%) of the salary or wages ~~of~~  
4 ~~the superintendent~~ for each school employee with whom the districts  
5 have entered into a mutual contract for not more than three (3)  
6 consecutive years for each contract. In no case shall the total  
7 amount of assistance paid over the three-year period for a contract  
8 with a superintendent be more than One Hundred Fifty Thousand  
9 Dollars (\$150,000.00) ~~per~~. In no case shall the total amount of  
10 assistance paid over the three-year period for a contract with a  
11 school employee other than a superintendent be more than Fifty  
12 Thousand Dollars (\$50,000.00). In no case shall any school district  
13 be eligible to receive assistance pursuant to this paragraph for  
14 more than one three-year time period for each mutual contract.

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

1 D. Allocations ~~will~~ shall be made to school districts formed by  
2 voluntary or mandatory consolidation on the basis of combined  
3 average daily membership (ADM) of the school year preceding the  
4 first year of operation of the school district resulting from the  
5 consolidation; provided, not more than two hundred (200) ADM of any  
6 one school district shall be counted in determining the combined ADM  
7 of any district formed by consolidation. The ADM of any one school  
8 district shall not be considered more than once for allocations from  
9 the fund when the school district consolidates with two or more  
10 school districts. Allocations from the fund pursuant to this  
11 subsection shall be calculated by multiplying the combined ADM by  
12 Two Thousand Five Hundred Dollars (\$2,500.00).

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

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1 F. If monies in the School Consolidation Assistance Fund are  
2 insufficient to make allocations to all qualified combined  
3 districts, allocations shall be made based upon the determination of  
4 the State Board of Education with preference given to school  
5 district consolidation and annexation.

6 SECTION 3. AMENDATORY 70 O.S. 2011, Section 7-204, is  
7 amended to read as follows:

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

20 SECTION 4. This act shall become effective July 1, 2016.

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

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