

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 HOUSE BILL 3157

By: Hickman of the House

and

6 Ford of the Senate

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9 COMMITTEE SUBSTITUTE

10 An Act relating to schools; amending 70 O.S. 2011,
11 Sections 7-202, 7-203 and 7-204, which relate to the
12 Oklahoma School Consolidation and Annexation Act;
13 expanding application of Act to school districts that
14 have entered into certain additional mutual
15 contracts; defining terms; adding certain additional
16 mutual contracts; establishing a limit on the amount
17 paid and the time period of payment for certain
18 mutual contracts; limiting certain assistance to
19 districts with certain average daily membership that
20 have not entered into a mutual contract for certain
21 number of years; expanding eligibility for certain
22 funding preferences to school districts that entered
23 into certain additional mutual contracts; providing
24 an effective date; and declaring an emergency.

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

1 districts whose entire territory has been annexed to one or more
2 existing school districts or which have been created by the
3 consolidation of two or more existing school districts in accordance
4 with the provisions of Section 7-101 et seq. of this title or to
5 school districts which have entered into a mutual contract with a
6 ~~superintendent~~ school employee as authorized pursuant to Section 5-
7 106A of this title.

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

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

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

1 B. All monies accruing to the credit of the fund are hereby
2 appropriated and may be budgeted and expended by the State Board of
3 Education for the purposes established by this section, the
4 Legislature and in accordance with rules promulgated by the State
5 Board of Education. The purposes shall be to provide:

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

- 12 a. purchase of uniform textbooks in cases where the
13 several districts were not using the same textbooks
14 prior to consolidation or annexation,
- 15 b. employment of certified personnel required to teach
16 courses of the district for which personnel from the
17 districts consolidated or annexed are not certified
18 and available,
- 19 c. employment assistance for personnel of the several
20 districts who are not employed by the consolidated or
21 annexing district. Employment assistance may include
22 provision of a severance allowance for administrators,
23 teachers and support personnel not to exceed eighty
24 percent (80%) of the individual's salary or wages,

1 exclusive of fringe benefits, for the school year
2 preceding the consolidation or annexation. Personnel
3 receiving such severance pay may accumulate one (1)
4 year of creditable service for retirement purposes.
5 Employment assistance may also include the payment of
6 unemployment compensation benefits. The State Board
7 of Education shall provide a severance allowance to
8 employees dismissed from employment due to annexation
9 or consolidation of a school district in the year of
10 the annexation or consolidation and who were denied a
11 severance allowance or unemployment compensation
12 benefits and the voluntary consolidation funding of
13 the annexing or consolidating district or districts
14 has been paid on or after July 1, 2003, at the maximum
15 allowable amount. Application for a severance
16 allowance shall be made to the Finance Division of the
17 State Department of Education by the dismissed
18 employee no later than September 1 of the fiscal year
19 immediately following the fiscal year in which the
20 annexation or consolidation occurred,

- 21 d. furnishing and equipping classrooms and laboratories,
- 22 e. purchase of additional transportation equipment, and
- 23 f. when deemed essential by the school district board of
24 education to achieve consolidation or combination by

1 annexation, renovation of existing school buildings
2 and construction or other acquisition of school
3 buildings; and

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

21 3. Assistance to school districts which have entered into a
22 mutual contract with a school employee other than a superintendent
23 shall be provided only to:

1 a. districts with an average daily membership of less
2 than five hundred (500) for two (2) of the preceding
3 three (3) school years, and

4 b. districts which have not entered into a mutual
5 contract with a school employee other than a
6 superintendent for the last three (3) school years.

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

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

1 the fund when the school district consolidates with two or more
2 school districts. Allocations from the fund pursuant to this
3 subsection shall be calculated by multiplying the combined ADM by
4 Two Thousand Five Hundred Dollars (\$2,500.00).

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

16 F. If monies in the School Consolidation Assistance Fund are
17 insufficient to make allocations to all qualified combined
18 districts, allocations shall be made based upon the determination of
19 the State Board of Education with preference given to school
20 district consolidation and annexation.

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

23 Section 7-204. Consolidated districts and districts combined by
24 annexation which are created pursuant to the Oklahoma School

1 Consolidation and Annexation Act and districts that have entered
2 into a mutual contract with a ~~superintendent~~ school employee shall
3 have for three (3) subsequent consecutive years after consolidation,
4 annexation or the effective date of ~~the~~ each mutual contract
5 preference for allocations from funds appropriated to the State
6 Board of Education for Community Education, Alternative and High
7 Challenge Schools, School/Community Network for Arts-in-Education,
8 Instructional Cooperative and Technical Education, Advanced
9 Placement Incentives, and for all other allocations made by the
10 Board on a competitive basis.

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

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

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