

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Education to which was referred House Bill No. 39
3 entitled “An act relating to the extension of the deadline of school district
4 mergers required by the State Board of Education” respectfully reports that it
5 has considered the same and recommends that the bill be amended by striking
6 out all after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. SCHOOL DISTRICT MERGERS; STATE BOARD OF
8 EDUCATION ORDER

9 Notwithstanding any provision of law to the contrary:

10 (1) Merger deadline extension. A school district that is formed by order
11 of the State Board of Education under 2015 Acts and Resolves No. 46, Sec. 10,
12 as amended, shall become operational on or before July 1, 2020. The merger
13 of a school district into an existing district that is required by the State Board
14 order shall be effective on or before July 1, 2020; provided that, where
15 required by the State Board order, a majority of the voters of the existing
16 district present and voting at an annual or special meeting warned for the
17 purpose approve the addition of that district to the existing district.

18 (2) Default Articles of Agreement. On or before March 15, 2019, the
19 State Board of Education shall amend and reissue the default Articles of
20 Agreement included with the State Board’s order to accommodate the merger
21 deadline extension in this section, and the newly formed districts shall comply

1 with the reissued default Articles of Agreement. The deadline for approval of
2 the draft Articles of Agreement under Sec. 10(d)(2) of 2015 Acts and Resolves
3 No. 46, as amended, shall be extended to July 1, 2019.

4 (3) Transition facilitation grant.

5 (A) If a school district that is formed by the State Board order
6 becomes operational on or before July 1, 2019, then the Secretary of Education
7 shall pay the board of the newly formed school district a transition facilitation
8 grant from the Education Fund equal to \$30,000.00.

9 (B) If the merger of a school district that is required to merge into a
10 preexisting district by the State Board order is effective on or before July 1,
11 2019, then the Secretary of Education shall pay the board of the preexisting
12 district a transition facilitation grant from the Education Fund equal to
13 \$10,000.00; provided, however, that this payment shall not be made to a
14 district that has received or is eligible to receive a transition facilitation grant
15 under Sec. 10(f) of 2015 Acts and Resolves No. 46, as amended.

16 (4) Authority to borrow. If the first budget of a school district that is
17 formed by the State Board order has not been approved by voters on or before
18 June 30 for the next fiscal year, the school board may borrow funds necessary
19 to enable it to operate the schools on a budget of up to 87 percent of the
20 cumulative budget amount of the most recently approved school budgets of the
21 school districts that merged to form the newly formed district. If the school

1 board borrows money under this section, it shall determine how all funds shall
2 be expended.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect on passage

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10 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE