

MAR 1 1999

EDUCATION

HOUSE FILE 432  
BY BRUNKHORST and THOMSON

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act authorizing the merger of two or more area education  
2 agencies.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 432

1 Section 1. Section 273.3, Code 1999, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 23. Be authorized, subject to the  
4 approval of the director of the department of education, to  
5 enter into an agreement with the boards of directors of one or  
6 more other area education agencies to merge. A merger  
7 pursuant to this subsection may take the form of two or more  
8 area education agencies merging to form a new area education  
9 agency or, alternatively, by an existing area education agency  
10 or agencies merging into another existing area education  
11 agency.

12 The boards of directors of area education agencies voting  
13 in favor of merger shall jointly prepare and submit to the  
14 director of the department of education a plan of merger. The  
15 plan shall include the rationale for the merger; a proposed  
16 timeline for accomplishing the merger; an agreement regarding  
17 the establishment of director districts and board membership  
18 in the merged area education agency; arrangements regarding  
19 existing contractual agreements between the merging area  
20 education agencies and other area education agencies, school  
21 districts, or public or private agencies; funding  
22 considerations; and any other aspects the boards consider  
23 necessary to address in order to facilitate the merger.

24 A plan which is approved shall result in a merger unless,  
25 within thirty days following submission of a plan of merger,  
26 the director is notified by a majority of the school districts  
27 located in an area education agency subject to the merger  
28 proposal of the districts' objection to the merger. If the  
29 director receives notice of objection from a majority of the  
30 school districts, the director shall issue a notice and hold a  
31 public hearing on the proposed merger. If, following the  
32 hearing regarding the proposed merger, a majority of the  
33 school districts continue to object to the merger, the merger  
34 shall not be granted. Notice of the public hearing shall take  
35 place as provided in section 273.8 with regard to director

1 district conventions, with the exception that the newspaper in  
2 which publication is made shall be one of general circulation  
3 throughout the area education agency containing the school  
4 districts objecting to the merger.

5 A plan which is not approved by the director may be  
6 resubmitted at any time with aspects addressed which were  
7 identified by the director as impediments to granting approval  
8 to merge.

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#### EXPLANATION

10 This bill provides authorization for the merger of two or  
11 more area education agencies. The bill provides that, subject  
12 to the approval of the director of the department of  
13 education, the boards of directors of two or more area  
14 education agencies may vote to merge, either into an entirely  
15 new area education agency or through one or more existing area  
16 education agency or agencies merging into another existing  
17 area education agency.

18 The bill provides that the boards of directors of area  
19 education agencies voting in favor of merger will be required  
20 to jointly prepare and submit to the director a plan of  
21 consolidation. The plan will include the rationale for the  
22 merger; a proposed timeline for accomplishing the merger; an  
23 agreement regarding the establishment of director districts  
24 and board membership in the merged area education agency;  
25 arrangements regarding existing contractual agreements between  
26 the merging area education agencies and other area education  
27 agencies, school districts, or public or private agencies;  
28 funding considerations; and any other aspects the boards  
29 consider necessary to address.

30 The bill provides that a plan which is approved by the  
31 director will result in a merger unless, within 30 days  
32 following submission of the plan, the director is notified by  
33 a majority of the school districts located in an area  
34 education agency subject to the merger proposal of their  
35 objection to the merger. If, following notice and a public

1 hearing, the school boards continue to object, the merger will  
2 not be permitted. The bill provides that a plan which is not  
3 approved can be resubmitted at any time with aspects addressed  
4 which were identified by the director as impediments to  
5 granting approval to merge.

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