

# Senate Study Bill 3149

## Bill Text

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1 1 Section 1. Section [273.21](#), subsection 3, paragraph g, Code  
1 2 Supplement 2001, is amended to read as follows:

1 3 g. Transmit the completed plan to the state board by  
1 4 November 1. Plans received by the state board after November  
1 5 1 shall be considered for area education agency reorganization  
1 6 taking effect no sooner than July 1 after the next succeeding  
1 7 fiscal year.

1 8 Sec. 2. Section [273.21](#), subsection 4, Code Supplement  
1 9 2001, is amended to read as follows:

1 10 4. The state board shall review the reorganization plan  
1 11 and shall, prior to February 1, either approve the plan or  
1 12 return the plan with the state board's recommendations. An  
1 13 unapproved plan may be resubmitted with modifications to the  
1 14 department not later than February 10. An approved plan shall  
1 15 take effect on July 1 of the fiscal year following the date of  
1 16 approval by the state board, except that plans submitted to  
1 17 the state board after November 1 shall take effect no sooner  
1 18 than July 1 after the next succeeding fiscal year.

1 19 Sec. 3. Section [273.22](#), subsections 1, 2, 5, and 6, Code  
1 20 Supplement 2001, are amended to read as follows:

1 21 1. The terms of employment of the administrator and staff  
1 22 of affected area education agencies for the school year  
1 23 beginning with the effective date of the formation of the new  
1 24 area education agency shall not be affected by the formation  
1 25 of the new area education agency, except in accordance with  
1 26 the provisions of sections 279.15 through 279.18, and 279.24,  
1 27 and the authority and responsibility to offer new contracts or  
1 28 to continue, modify, or terminate existing contracts pursuant  
1 29 to sections 279.12, 279.13, 279.15 through 279.21, 279.23, and  
1 30 279.24 for the school year beginning with the effective date  
1 31 of the reorganization shall be transferred from the boards of  
1 32 the existing area education agencies to the board of the new  
1 33 area education agency

~~on the third Tuesday of January prior to~~

1 34

~~the school year the reorganization is effective~~  
~~following~~

1 35 approval of the reorganization plan by the state board as  
2 1 provided in section 273.21, subsection 4.

2 2 2. The collective bargaining agreement of the area  
2 3 education agency with the largest basic enrollment, as defined  
2 4 in section 257.6, for the year prior to the year the  
2 5 reorganization is effective, shall serve as the base agreement  
2 6 in the new area education agency and the employees of the  
2 7 other area education agencies involved in the formation of the  
2 8 new area education agency shall automatically be accreted to  
2 9 the bargaining unit of that collective bargaining agreement  
2 10 for purposes of negotiating the contracts for the following  
2 11 years without further action by the public employment  
2 12 relations board. If only one collective bargaining agreement  
2 13 is in effect among the area education agencies that are party  
2 14 to the reorganization, that agreement shall serve as the base  
2 15 agreement, and the employees of the other agencies involved in

2 16 the formation of the new area education agency shall  
2 17 automatically be accreted to the bargaining unit of that  
2 18 collective bargaining agreement for purposes of negotiating  
2 19 the contracts for the following years without further action  
2 20 by the public employment relations board. The board of the  
2 21 newly formed area education agency, using the base agreement  
2 22 as its existing contract, shall bargain with the combined  
2 23 employees of the affected agencies for the school year  
2 24

~~beginning with~~

~~that begins on~~ the effective date of the

2 25 reorganization. The bargaining shall be completed by the  
2 26 dates specified in section 20.17 prior to the school year in  
2 27 which the reorganization becomes effective or within one  
2 28 hundred eighty days after the organization of the new board,  
2 29 whichever is later. If a bargaining agreement was already  
2 30 concluded by the board and employees of the affected agency  
2 31 with the contract serving as the base agreement for the school  
2 32 year beginning with the effective date of the reorganization,  
2 33 that agreement shall be void. However, if the base agreement  
2 34 contains multiyear provisions affecting school years  
2 35 subsequent to the effective year of the reorganization, the  
3 1 base agreement shall remain in effect as specified in the  
3 2 agreement.

3 3 The provisions of the base agreement shall apply to the  
3 4 offering of new contracts or continuation, modification, or  
3 5 termination of existing contracts as provided in subsection 1.

3 6 5. The board of directors of a school district that is  
3 7 contiguous to a newly reorganized area education agency may  
3 8 petition the board of directors of their current area  
3 9 education agency and the newly reorganized area education  
3 10 agency to join the newly reorganized area education agency.  
3 11 If both area education agency boards approve the petition, the  
3 12 reorganization shall take effect

~~on July 1 of the school year~~

3 13

~~following approval of the petition by the state board~~

~~in~~

3 14 accordance with the dates established under section 273.21,  
3 15 subsection 4. A school district may appeal to the state board  
3 16 the decision of an area education agency board to deny the  
3 17 school district's petition.

3 18 6. The board of directors of a school district that is  
3 19 within a newly reorganized area education agency and whose  
3 20 school district was contiguous to another area education  
3 21 agency prior to the reorganization, may petition the board of  
3 22 directors of the newly reorganized area education agency and  
3 23 the contiguous area education agency to join that area  
3 24 education agency. If both area education agency boards  
3 25 approve the petition, the reorganization shall take effect

~~on~~

3 26

~~July 1 of the school year following approval of the petition~~

3 27

~~by the state board~~

~~in accordance with the dates established~~

3 28 under section 273.21, subsection 4. A school district may  
3 29 appeal to the state board the decision of an area education

3 30 agency board to deny the school district's petition.  
3 31 Sec. 4. Section [273.22](#), Code Supplement 2001, is amended  
3 32 by adding the following new subsection:  
3 33 NEW SUBSECTION. 7. Not later than fifteen days after the  
3 34 state board notifies an area education agency of its approval  
3 35 of the area education agency's reorganization plan or  
4 1 dissolution proposal, the area education agency shall notify  
4 2 the school districts located within the area education agency  
4 3 boundaries, the school districts and area education agencies  
4 4 that are contiguous to its boundaries, and any other school  
4 5 district under contract with the area education agency, of the  
4 6 state board's approval of the plan or proposal. A petition to  
4 7 join an area education agency or for release from a contract  
4 8 with an area education agency, in accordance with subsections  
4 9 4 through 6, shall be filed not later than sixty days after  
4 10 the state board approves a reorganization plan or dissolution  
4 11 proposal in accordance with this chapter.  
4 12 Sec. 5. Section [273.23](#), subsection 2, Code Supplement  
4 13 2001, is amended to read as follows:  
4 14 2. Prior to the organization meeting of the board of  
4 15 directors of the newly formed area education agency, the  
4 16 boards of the former area education agencies shall designate  
4 17 directors to be retained as members to serve on the initial  
4 18 board of the newly formed area education agency. A vacancy  
4 19 occurs if an insufficient number of former board members  
4 20 reside

~~in~~

- within the newly formed area education agency's  
4 21 boundaries or if an insufficient number of former board  
4 22 members are willing to serve on the board of the newly formed  
4 23 area education agency. Vacancies, as defined in section  
4 24 277.29, in the membership of the newly formed area education  
4 25 agency board shall be filled for the unexpired portion of the  
4 26 term at a special director district convention called and  
4 27 conducted in the manner provided in section 273.8 for regular  
4 28 director district conventions.

4 29 Sec. 6. Section [273.23](#), subsection 8, Code Supplement  
4 30 2001, is amended to read as follows:  
4 31 8. For the school year beginning on the effective date of  
4 32 an area education agency reorganization as provided in this  
4 33 subchapter, the special education support services cost per  
4 34 pupil shall be based upon the combined base year budgets for  
4 35 special education support services of the area education  
5 1 agencies that reorganized to form the newly formed area  
5 2 education agency, divided by the total of the weighted  
5 3 enrollment for special education support services in the  
5 4 reorganized area education agency for the base year plus the  
5 5 allowable growth amount per pupil for special education  
5 6 support services for the budget year as calculated in section  
5 7 257.8.

5 8 9. Within one year of the effective date of the  
5 9 reorganization, a newly formed area education agency shall  
5 10 meet the accreditation requirements set forth in section  
5 11 273.10, and the standards set forth in section 273.11. The  
5 12 newly formed area education agency shall be considered  
5 13 accredited for purposes of budget approval by the state board  
5 14 pursuant to section 273.3. The state board shall inform the  
5 15 newly formed area education agency of the accreditation on-  
5 16 site visit schedule.

5 17 Sec. 7. Section [273.23](#), Code Supplement 2001, is amended  
5 18 by adding the following new subsections:  
5 19 NEW SUBSECTION. 10. The special education support cost  
5 20 per pupil, the media cost per pupil, and the educational  
5 21 services cost per pupil for a school district petitioning into  
5 22 an area education agency shall be the special education  
5 23 support cost per pupil, media cost per pupil, and educational

5 24 services cost per pupil of the area education agency into  
5 25 which it petitions if the petition is approved.  
5 26 NEW SUBSECTION. 11. Unless the reorganization of an area  
5 27 education agency takes effect less than two years before the  
5 28 taking of the next federal decennial census, a newly formed  
5 29 area education agency shall, within one year of the effective  
5 30 date of the reorganization, redraw the boundary lines of  
5 31 director districts in the area education agency if a petition  
5 32 filed by a school district to join the newly formed area  
5 33 education agency, or for release from the newly formed area  
5 34 education agency, in accordance with section 273.22,  
5 35 subsections 4 through 6, was approved. Until the boundaries  
6 1 are redrawn, the boundaries for the newly formed area  
6 2 education agency shall be as provided in the reorganization  
6 3 plan approved by the state board in accordance with section  
6 4 273.21.

6 5 Sec. 8. EFFECTIVE DATE. This Act, begin deemed of  
6 6 immediate importance, takes effect upon enactment.

6 7 EXPLANATION

6 8 This bill makes a number of changes to Code provisions  
6 9 relating to the reorganization or dissolution of area  
6 10 education agencies.

6 11 The bill provides that reorganization plans submitted to  
6 12 the state board of education after the deadline of November 1  
6 13 must be considered by the state board, but cannot take effect  
6 14 prior to July 1 after the next succeeding fiscal year.

6 15 The bill also provides that the transfer to the board of  
6 16 the new area education agency of the authority and  
6 17 responsibility to offer new contracts or to continue, modify,  
6 18 or terminate existing contract terms of employment of  
6 19 administrators and staff shall take place following state  
6 20 board approval of the reorganization plan. Current law  
6 21 transfers the authority on the third Tuesday of January prior  
6 22 to the school year in which the reorganization takes effect.

6 23 Under the bill, an area education agency must notify the  
6 24 school districts within its boundaries, school districts and  
6 25 area education agencies contiguous to its boundaries, and any  
6 26 other school district under contract with the area education  
6 27 agency, of the state board's approval of its reorganization  
6 28 plan or dissolution proposal. Within 60 days of state board  
6 29 approval of a reorganization plan or dissolution proposal, a  
6 30 school district that wishes to join an area education agency  
6 31 or wishes to be released from a contract with an area  
6 32 education agency must file a petition with the area education  
6 33 agency to that effect.

6 34 The bill also provides that, for the school year beginning  
6 35 on the effective date of an area education agency  
7 1 reorganization, the special education support services cost  
7 2 per pupil shall be based upon the combined base year budgets  
7 3 for special education support services of the area education  
7 4 agencies that reorganized to form the newly formed area  
7 5 education agency, divided by the total of the weighted  
7 6 enrollment for special education support services in the  
7 7 reorganized area education agency for the base year plus the  
7 8 allowable growth amount per pupil for special education  
7 9 support services for the budget year.

7 10 Under the bill, the special education support cost per  
7 11 pupil, the media cost per pupil, and the educational services  
7 12 cost per pupil for a school district petitioning into an area  
7 13 education agency shall be that of the area education agency  
7 14 into which it petitions if the petition is approved.

7 15 Finally, the bill requires that, unless an area education  
7 16 agency reorganization takes effect less than two years before  
7 17 the taking of the next federal decennial census, the newly  
7 18 formed area education agency must redraw its director district  
7 19 boundaries within one year of reorganizing if a petition filed  
7 20 by a school district to join or be released from a newly

7 21 formed area education agency, was approved. Until the  
7 22 boundaries are redrawn, the newly formed area education agency  
7 23 shall use the boundaries set forth in the approved  
7 24 reorganization plan.  
7 25 The bill takes effect upon enactment.  
7 26 LSB 5359DP 79  
7 27 kh/hk/91.2