

1 AN ACT relating to school districts.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 160.020 is amended to read as follows:

4 (1) All school districts embracing designated cities together with the territory within
5 their limits, including any territory added for school purposes outside of the city
6 limits, and all independent graded common school districts having a school census
7 enumeration of two hundred (200) or more children, constitute independent school
8 districts, except those which have merged with a county school district since June
9 14, 1934. No independent district ~~[other than a designated city]~~ shall continue to
10 operate when its **average daily enrollment**~~[school census enumeration of children]~~
11 falls below **minimum enrollment requirements**~~[two hundred (200) pupils]~~ unless it
12 appears to the Kentucky Board of Education that the district can maintain a more
13 efficient program of school service by operating as an independent district **as**
14 **demonstrated through evidence that includes but is not limited to the:**

15 **(a) District's student achievement, academic growth, school climate, and**
16 **successful student outcomes;**

17 **(b) Lack of waste, duplication, or mismanagement in the operation of the**
18 **district;**

19 **(c) Number of nonresident pupils who enroll into the district; and**

20 **(d) Projected impact from implementing a merger with a contiguous district in**
21 **providing an efficient program of school service and an adequate education**
22 **for the district's students.**

23 (2) **The minimum enrollment requirements shall be:**

24 **(a) Three hundred (300) in-person students for school districts providing no**
25 **service in any grade nine (9) through twelve (12); and**

26 **(b) Four hundred fifty (450) in-person students for school districts providing**
27 **service in any grade nine (9) through twelve (12).**

1 **(3)** As used in this section, "designated city" means a city classified as a city of the
 2 first, second, third, fourth, or fifth class as of January 1, 2014, under the city
 3 classification system in effect prior to January 1, 2015. The Department of
 4 Education shall, on or before January 1, 2015, create an official registry listing the
 5 cities that qualify as a "designated city" under this section and shall publish that
 6 registry on its website~~[Web site]~~.

7 ➔Section 2. KRS 160.041 is amended to read as follows:

8 (1) When a board of education of ~~a~~~~[an independent]~~ school district desires to have its
 9 district merge with~~[become]~~ a contiguous~~[part of the county]~~ school district, it shall
 10 by motion so record its desire in the minutes of the board. The board, or its
 11 executive officer, shall convey this request to the ~~[county]~~ board of education of the
 12 contiguous school district. At its next regular meeting, or at a special meeting held
 13 prior thereto, the ~~[county]~~ board of education of the contiguous school district shall
 14 consider the~~[pass upon this]~~ request.

15 (2) (a) If the ~~[county]~~ board of education receiving the request refuses, or the two (2)
 16 boards of education cannot agree upon such a proposition of merger ~~[of the~~
 17 ~~independent district with the county district]~~, the question of merger shall be
 18 submitted to the qualified voters of the two (2) districts at the next regular
 19 election if the question is filed with the county clerk not later than the second
 20 Tuesday in August preceding the regular election.

21 ~~(b)~~~~(a)~~ If a majority of those voting on the question from each respective
 22 school district favor merger, the school boards of the two (2) school districts
 23 shall jointly develop a plan for adoption of the merger.

24 ~~(c)~~~~(b)~~ If the two (2) school boards cannot agree to the terms of merger within
 25 sixty (60) days following the date of the regular election, the chief state school
 26 officer shall develop the terms of the adoption of merger.

27 ~~(c)~~ ~~Notwithstanding subsection (2)(a) of this section, if the independent school~~

1 district cannot meet its current operating expenses from projected revenue and
 2 if the two (2) school boards cannot agree to the terms of a merger, the
 3 proposition of merger shall be submitted to the Kentucky Board of Education,
 4 and the Kentucky Board of Education shall determine whether the two (2)
 5 districts should be merged and if merged the terms thereto.]

6 (d) Upon completion of the plan for adoption of the merger, whether prepared by
 7 the school boards or the ***chief state school officer***[superintendent], it shall
 8 become effective and the ***districts***[independent district] shall ***merge***[become a
 9 part of the county school district] as set out in the plan.

10 **(3) Notwithstanding subsection (2) of this section, if a school district cannot meet its**
 11 **current operating expenses from projected revenue and cannot negotiate a**
 12 **merger with a contiguous school district, the Kentucky Board of Education shall**
 13 **direct the merger of the insolvent school district with a contiguous district and**
 14 **determine the terms of the merger.**

15 **(4) The Kentucky Board of Education shall promulgate administrative regulations in**
 16 **accordance with KRS Chapter 13A to establish procedures and terms for the**
 17 **merging of school districts due to insolvency under this section.**