

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: CS/SB 351

50th Legislature, 1st Session, 2011

Tracking Number: .185731.1

Short Title: New School District Development Methods

Sponsor(s): Senator Linda M. Lopez

Analyst: David Harrell

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**SENATE EDUCATION COMMITTEE SUBSTITUTE FOR
SENATE BILL 351**

Bill Summary:

CS/SB 351 amends the *Public School Code* to allow the Public Education Commission (PEC) to order the creation of a new school district:

- upon receipt of and according to a resolution requesting the creation of a new school district by the local school board of the existing district; or
- after review by the local school board and upon receipt of a petition bearing signatures verified by the county clerk of 10 percent of the registered voters of the existing school district.

CS/SB 351 further requires that, within 90 days of receiving a local school board resolution or a voters' petition, the PEC hold a public hearing to determine whether:

- the existing school district and the new school district to be created will each have a minimum membership of 500;
- a high school program will be taught in each district, unless the PEC grants an exception to this requirement; and
- creating the new school district is in the best interest of public education not only in the two districts in question but also throughout the state.

If the PEC receives a verified petition and orders the creation of a new school district, CS/SB 351 further requires that the order of creation be submitted to the voters of the existing school district for their approval or rejection.

Finally, in providing the two methods for the creation of a new school district through order of the PEC, C/SB 351 deletes a third method currently in law: recommendation of the State Superintendent (now Secretary of Public Education) and upon a determination of the State Board of Education (now the Public Education Department, or PED) that creation of the new district would meet the standards enumerated above.

Fiscal Impact:

SB 351 does not contain an appropriation.

Fiscal Issues:

A point raised in the PED analysis of the original bill still applies to the committee substitute: “the splitting of a school district for the purpose of creating a new school district has significant financial consequences that cannot be readily quantified.”

- One of those financial consequences would be the costs of two school districts: that is, two local school boards and two sets of administrators, faculty, and support staff.
- Another financial consequence, as PED explains, is that “indebtedness on transferred property remains with the school district that created the debt. In short, any debt on school construction projects would remain with the original district even though the creation of a new district would require the transferring of school buildings to the new district.”

Putting the PEC’s order to create a new district before the voters would also incur costs, whether in preparing the ballot for a regular school board election or, especially, conducting a special election.

Substantive Issues:

Created through a constitutional amendment adopted in 2003, the PEC comprises 10 members elected from their respective districts. According to the state constitution, the PEC “shall have such powers and duties as provided by law.”

- As provided in the *Public Education Department Act*, the PEC:
 - is administratively attached to PED, with administrative staff provided by PED; and
 - advises PED on policy matters and performs “other functions as provided by law.”
- The *Public School Code* assigns the following duties to the PEC:
 - working with PED to develop the five-year strategic plan for public elementary and secondary education in the state;
 - soliciting input from local school boards, school districts, and the public on policy and governance issues and reporting findings and recommendations to the Secretary of Public Education and the Legislature;
 - recommending to the secretary conduct and process guidelines and training curricula for local school boards;
 - serving as the governing authority for vocational education and acting as “the sole agency of the state” (in correspondence with federal law) for the administration and supervision of the state’s vocational education plan; and
 - authorizing state-chartered charter schools.

CS/SB 351 would transfer from PED to the PEC the authority to order the creation of new school districts according to the terms of the bill.

Related Bills:

SB 80 *School District Student Membership Minimums*
CS/SB 219 *New School District Petition Requirements*
SJR 7 *Increase Size of Certain School Boards, CA*