CHAPTER 122

SCHOOL DISTRICTS, FORMATION AND ALTERATION

 122.22
 Dissolution and attachment.
 122.542
 Grants for cooperative agreements, alternative educational delivery systems and low-power television.

 122.531
 Employees of reorganized districts.
 122.853
 Experimental pairing.

122.22 DISSOLUTION AND ATTACHMENT.

[For text of subds 1 and 2, see M.S.1980]

- Subd. 3. A resolution adopted pursuant to subdivision 2(a) shall contain findings of necessary jurisdictional facts and shall set a date for hearing. The hearing shall be not less than 20 nor more than 60 days from the date of the resolution.
- Subd. 4. A petition executed pursuant to subdivision 2(b) shall be filed with the auditor. It shall contain the following:
- (a) A statement that petitioners desire proceedings instituted leading to dissolution of the district and other provisions made for the education of the inhabitants of the territory and that petitioners are eligible voters, as defined in section 123.32, subdivision 1a, of the district;
 - (b) An identification of the district; and
- (c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. The recommendations are advisory in nature only and are not binding on any petitioners or county board for any purpose.

The persons circulating the petition shall attach their affidavit swearing or affirming that the persons executing the petition are eligible voters, as defined in section 123.32, subdivision 1a, of the district and that they signed in the presence of one of the circulators.

The auditor shall present the petition to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. The hearing shall be not less than 20 nor more than 60 days from the date of that meeting.

- Subd. 5. Certification executed pursuant to subdivision 2(c) shall be filed with the auditor. It shall contain the following:
 - (a) A copy of the resolution initiating the election;
- (b) A copy of the notice of election with an affidavit of publication or posting;
 - (c) The question voted on;
- (d) The results of the election by number of votes cast for and number against the question; and
- (e) If an advisory ballot is taken on annexation, the question voted on and number of ballots cast for and against the proposal.

The auditor shall present the certification to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. The hearing shall be not less than 20 nor more than 60 days from the date of that meeting.

[For text of subds 6 and 7, see M.S.1980]

122.22 SCHOOL DISTRICTS, FORMATION AND ALTERATION

- Subd. 7a. Before the day of a hearing ordered pursuant to this section, each district adjoining the district proposed for dissolution shall provide the following information and resolution to the county auditor of the county containing the greatest land area of the district proposed for dissolution:
 - (a) The outstanding bonded debt of the district;
 - (b) The assessed valuation of the district;
- (c) The most current school tax rates for the district, including any referendum, discretionary, or other optional levies being assessed currently and the expected duration of the levies;
- (d) A resolution passed by the school board of the district stating that if taxable property of the dissolved district is attached to it, one of the following requirements is imposed: (1) the taxable property of the dissolving district which is attached to its district shall not be liable for the bonded debt of the district which existed as of the time of the attachment; (2) the taxable property of the dissolving district which is attached to its district shall be liable for the payment of the bonded debt of the district which existed as of the time of the attachment in the proportion which the assessed valuation of that part of the dissolving district which is included in the newly enlarged district bears to the assessed valuation of the entire district as of the time of attachment; or (3) the taxable property of the dissolving district which is attached to its district shall be liable for some specified portion of the amount that could be requested pursuant to subclause (2).

An apportionment pursuant to subclause (2) or (3) shall be made by the county auditor of the county containing the greatest land area of the district proposed for transfer.

An apportionment of bonded indebtedness pursuant to subclause (2) or (3) shall not relieve any property from any tax liability for payment of any bonded obligation, but taxable property in a district enlarged pursuant to this section becomes primarily liable for the payment of the bonded debt to the extent of the proportion stated.

- Subd. 8. Within 90 days of the date set for the original hearing or within 30 days of the termination of a consolidation proceeding which stays the order under subdivision 7, the county board may issue its order:
 - (a) Dismissing the proceedings; or
- (b) Providing for the dissolution of the district and the annexation of the territory to adjoining districts, or the entire district as a unit may be attached to and become part of a district which maintains a secondary school located within the same high school area if there is no intervening district maintaining a secondary school.

If no order is issued within the limited time, the proceedings are dismissed.

If an order is issued pursuant to clause (b) the order is a final order, unless an election on the order is required pursuant to subdivision 11.

- Subd. 9. An order issued under subdivision 8, clause (b), shall contain the following:
- (a) A statement that the district is dissolved unless the results of an election held pursuant to subdivision 11 provide otherwise;
- (b) A description by words or plat or both showing the disposition of territory in the district to be dissolved;
 - (c) The outstanding bonded debt of the district to be dissolved;

- (d) A statement requiring the fulfillment of the requirements imposed by each adjoining district to which territory in the dissolving district is to be attached regarding the assumption of its outstanding pre-existing bonded indebtedness by any territory from the dissolving district which is attached to it;
- (e) An effective date for the order. The effective date shall be at least three months after the date of the order, and shall be July 1 of an odd-numbered year; and
 - (f) Other information the county board may desire to include.

The auditor shall within ten days from its issuance serve a copy of the order by mail upon the clerk of the district to be dissolved and upon the clerk of each district to which the order attaches any territory of the district to be dissolved and upon the auditor of each other county in which all or any part of the district to be dissolved or any district to which the order attaches territory lies, and upon the commissioner.

- Subd. 10. [Repealed, 1981 c 358 art 7 s 31]
- Subd. 11. If the proceedings were instituted by petition, under subdivision 2(b), or by election, under subdivision 2(c) and an advisory recommendation was made in the petition or an advisory ballot taken at the election, as to annexation requested, and if the order makes a different provision for annexation than requested, then the order must be approved by a majority of those voting on the question at an election to be called in the district to be dissolved, under subdivision 13. The question voted on shall be:

"Shall the order of the county board of county, dated providing for the dissolution of this school district be approved?" Yes No

- Subd. 12. [Repealed, 1981 c 358 art 7 s 31]
- Subd. 13. If an election is required under subdivision 11, then before the expiration of a 45 day period after the date of the order for dissolution and attachment, the auditor shall set a date and call the election by filing a written order therefor and serving a copy thereof personally or by mail on the clerk of the district in which the election is to be held. The date shall be not less than 15 nor more than 30 days after the date of the order, upon which date a special election shall be held in the district proposed for dissolution. The auditor shall cause notice of the election to be posted and published according to law. Upon receipt of the notice, the board shall conduct the election.
- Subd. 14. The results of the election shall be certified by the board to the auditor. If a majority of all votes cast on the question at the election approve the order, the order becomes final and effective as of the date specified in the order. Each person served with the order shall be so notified. If a majority of all votes cast on the question disapprove the order, the proceedings are dismissed, and the order becomes void.
 - Subd. 15. [Repealed, 1981 c 358 art 7 s 31]
 - Subd. 16. [Repealed, 1981 c 358 art 7 s 31]

[For text of subd 18, see M.S.1980]

Subd. 20. If the dissolved district is not divided by the order of dissolution and attachment, all of its current assets and liabilities, real and personal, and all its legally valid and enforceable claims and contract obligations shall pass to the district to which it is attached, except as provided in section 122.532. If the district to be dissolved is divided by the order of dissolution and attachment, the commissioner shall, within 30 days after the order is issued, issue an order for the

122.22 SCHOOL DISTRICTS, FORMATION AND ALTERATION

distribution of its current assets and liabilities, real and personal. If the commissioner's order provides for the transfer of an interest in real estate to a district, this order may also impose a dollar amount as a claim against that district in favor of other districts, and this claim shall be paid and enforced in the manner provided by law for the payment of judgments against a district. The obligations of districts to the teachers employed by the dissolved district shall be governed by the provisions of section 122.532.

History: 1981 c 358 art 7 s 12-21

122.531 LEVY LIMITATIONS OF REORGANIZED DISTRICTS.

Subdivision 1. **Definitions.** For purposes of this section, the terms defined in sections 124.01, 124.2121 to 124.2125, and 275.125 shall have the meanings ascribed to them in those sections.

- Subd. 1a. Involuntary dissolution referendum levies. As of the effective date of the involuntary dissolution of a district and its attachment to one or more existing districts pursuant to sections 122.32, or 122.41 to 122.52, the authorization for any referendum levy previously approved by the voters of the dissolved district in that district pursuant to section 275.125, subdivision 2d, or its predecessor or successor provision, is cancelled. The authorization for any referendum levy previously approved by the voters of a district to which all or part of the dissolved district is attached shall not be affected by the attachment and shall apply to the entire area of the district as enlarged by the attachment.
- Subd. 2. Consolidation and voluntary dissolution: referendum levies. As of the effective date of a consolidation pursuant to section 122.23 or the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 122.22, the authorization for all referendum levies previously approved by the voters of all affected districts for those districts pursuant to section 275.125, subdivision 2d, or its predecessor or successor provision, is cancelled. However, if all of the territory of any independent district is included in the newly created district, and if the adjusted assessed valuation of taxable property in that territory comprises 90 percent or more of the adjusted assessed valuation of all taxable property in a newly created or enlarged district, the board of the newly created or enlarged district may levy the increased amount previously approved by a referendum in the pre-existing independent district upon all taxable property in the newly created or enlarged district. Any new referendum levy shall be certified only after approval is granted by the voters of the entire newly created or enlarged district in an election pursuant to section 275.125, subdivision 2d, or its successor referendum provision.
- Subd. 3a. Grandfather levy and aid. (1) The amounts specified in this subdivision shall be used for purposes of computing the grandfather levy limitation under section 275.125, subdivision 6b, and the grandfather aid under section 124.2123, of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more existing districts.
- (2) The grandfather guarantee of the newly created or enlarged district shall equal the sum of the amounts derived by performing the following multiplication for each component district:
 - (a) the grandfather guarantee for the component district, times
- (b) the quotient obtained by dividing the number of actual pupil units from that component district who are enrolled in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective, by the entire number of actual pupil units enrolled in the component

district in the year preceding the year when the consolidation or dissolution and attachment becomes effective.

- (3) The grandfather allowance of the newly created or enlarged district shall equal the quotient obtained by dividing:
 - (a) the grandfather guarantee of the newly created or enlarged district, by
- (b) the sum of the amounts derived by performing the following computation for each component district:
- (i) the number of actual pupil units in the component district in 1979-1980, times
- (ii) the quotient derived for that component district in clause (2), part (b) of this subdivision.

[For text of subd 4, see M.S.1980]

- Subd. 5. Replacement levy and aid. For purposes of computing the replacement levy limitation under section 275.125, subdivision 6c, and replacement aid under section 124.2124, the replacement entitlement of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more other districts, shall equal the quotient obtained by dividing:
- (1) the sum of the amounts derived by performing the following multiplication for each component district:
 - (a) the replacement entitlement of the component district, times
- (b) the number of actual and AFDC pupil units from that component district who are enrolled in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective; by
- (2) the total number of actual and AFDC pupil units in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective.
- Subd. 6. Aid deductions. (1) For purposes of determining deductions from basic foundation, grandfather, replacement, and discretionary aid pursuant to section 124.2128, subdivision 1, of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more other districts, in the year when the consolidation or dissolution and attachment becomes effective, there shall be used in lieu of the ratio of the district's actual levy to its permitted levy in the applicable year, the quotient obtained by dividing:
- (a) the sum of the products derived for each component district by multiplying the component district's actual levy in the applicable year pursuant to the applicable subdivision, times the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district; by
- (b) the sum of the products derived for each component district by multiplying the component district's permitted levy in the applicable year pursuant to the applicable subdivision, times the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district.

Subd. 7.3 [Repealed, 1981 c 358 art 1 s 49]

History: 1981 c 358 art 1 s 3-7

122.532 EMPLOYEES OF REORGANIZED DISTRICTS.

[For text of subds 1 and 2, see M.S.1980]

Subd. 3. The organization certified as the exclusive bargaining representative for the teachers in the particular pre-existing district which employed the largest proportion of the teachers who are assigned to a new employing district according to subdivision 2 shall be certified as the exclusive bargaining representative for the teachers assigned to that new employing district, until that organization is decertified or another organization is certified in its place pursuant to sections 179.61 to 179.76. If no new contract has been executed as of the effective date of the consolidation or dissolution and attachment, the terms and conditions of employment of teachers assigned to the new employing district shall be temporarily governed by the contract executed by that exclusive bargaining representative and that particular pre-existing district, until a new contract is executed between the newly elected board or the board of the district to which a dissolved district is attached and the exclusive bargaining representative. For purposes of negotiation of a new contract with the board of the new employing district and the certification of an exclusive bargaining representative for purposes of that negotiation, the teachers assigned to that district shall be considered an appropriate unit of employees of that district as of the date the county board orders its interlocutory order of dissolution and attachment to be final and effective or as of the date the commissioner assigns an identification number to a new district created by consolidation. During the school year before the consolidation becomes effective, the newly elected board or the board of the district to which a dissolved district is attached, may place teachers assigned to it on unrequested leave of absence as provided in section 125.12 according to: (a) a plan negotiated in a new master contract between it and the exclusive bargaining representative of the teachers assigned to it, or (b) if no such plan exists, an applicable plan negotiated in the contract which according to this subdivision will temporarily govern the terms and conditions of employment of teachers assigned to it, or (c) if no plan exists pursuant to either (a) or (b), the provisions of section 125.12, subdivision 6b, on the basis of a combined seniority list of all teachers assigned to it.

[For text of subd 4, see M.S.1980]

History: 1Sp1981 c 4 art 1 s 46

122.542 GRANTS FOR COOPERATIVE AGREEMENTS, ALTERNATIVE EDUCATIONAL DELIVERY SYSTEMS AND LOW-POWER TELEVISION.

Subdivision 1. **Policy.** The legislature finds that small rural secondary schools, because of fiscal constraints, are experiencing a decrease in course offerings, uneconomical class sizes, restricted student access to courses, and the necessity for teachers to teach in subject areas for which they are not licensed. Therefore it is the intention of the legislature to encourage the use of available options by small rural districts in order to provide a more equitable balance in programs available to rural and urban secondary pupils. These options include consolidation, pairing and alternative educational delivery systems which utilize shared services, and applications of technology such as two-way, low-power television.

Subd. 2. Cooperative agreement grants. The council on quality education, in cooperation with the department of education, may make grants to school districts for the study, evaluation, and start-up costs of an agreement which provides for the discontinuance by a district of grades 7 through 12 or portions of

those grades and the instruction in another district of the pupils in the discontinued grades or portions of grades. Application for a grant pursuant to this subdivision shall be made in a manner prescribed by the council and the agreements shall comply with the requirements set forth in Minnesota Statutes 1980, Section 122.85.

- Subd. 3. Alternative educational delivery system grants. (a) The council on quality education shall make a grant to Independent School District No. 362, Littlefork, to serve as a demonstration model in the development and implementation of an alternative educational delivery system. The council shall provide supervision and coordination in the development and implementation of the demonstration model and in disseminating information about the model to other districts. Application for a grant pursuant to this subdivision shall be made in a manner prescribed by the council.
- (b) Alternative educational delivery systems shall include but are not limited to:
 - (1) computer-assisted instruction;
 - (2) extension courses offered by correspondence;
 - (3) videotape courses; and
 - (4) audiovisual courses.
- (c) The goals of alternative educational delivery systems shall include but not be limited to:
 - (1) expansion of curriculum in areas not otherwise available;
- (2) elimination of traditional classes of uneconomic or insufficient size without a reduction of learning opportunities;
 - (3) provision of remedial instruction in basic skills.
- (d) A grant made pursuant to this subdivision is to be used solely for development, implementation, and evaluation of the model, and to disseminate information about the model to other school districts in the state. The legislature does not intend that this grant is to be used for start-up costs of alternative educational delivery systems in other districts, nor does it intend to fund such start-up costs in the future.
- Subd. 4. Low-power television system grant. (a) The council on quality education shall make a grant to Independent School District No. 790, Eagle Bend, to serve as a demonstration model in the development and implementation of a two-way, low-power television transmission system. The council shall provide supervision and coordination in the development, implementation, and evaluation of the model and in disseminating information about the model to other districts. Applications for this grant shall be made in a manner prescribed by this council.
- (b) This grant is to be used solely for the development, implementation, and evaluation of the model and for disseminating information about the model to other school districts in the state. The legislature does not intend that this grant is to be used for start-up costs of two-way, low-power television transmission systems in other school districts nor does the legislature intend to fund such start-up costs in the future.
- Subd. 5. Sources of funds. Districts receiving grants pursuant to this section may receive funds from the federal government and from private organizations for the purposes of this section.
- Subd. 6. Separate fund accounts. A district which is awarded a grant pursuant to this section shall maintain separate revenue and expenditure accounts

122.542 SCHOOL DISTRICTS, FORMATION AND ALTERATION

which accurately reflect all revenues and expenditures. The moneys shall be spent only for the purposes of subdivision 2, 3, or 4.

- Subd. 7. Low-power transmission television study. The council on quality education shall award one or more contracts to qualified consultants or legal firms specializing in securing broadcast and telecast licenses from the federal communications commission. The consultant or firm shall: (a) survey the need for low-power television transmission sites in the state; (b) write a report which recommends placement of low-power television transmission sites to provide maximum educational benefits to small rural school districts and gives detailed estimates of costs for implementing the sites, including data concerning local personnel, training, and equipment; (c) evaluate the project in Independent School District No. 790, Communicasting for Educational Purposes; and (d) prepare and submit all necessary license applications to the federal communications commission on behalf of local education agencies recommended as transmission sites.
- Subd. 8. Report. The council on quality education shall report to the education committees of the house of representatives and the senate by January 15, 1983 on the use and effectiveness of grants made pursuant to this section.
- Subd. 9. Construction. Although the legislature intends that the grants made pursuant to this section are to be used for development of secondary educational models, the provisions of this section shall not be construed to prohibit these programs from also being utilized for elementary and adult education purposes.

History: 1981 c 358 art 6 s 38

122.85 EXPERIMENTAL PAIRING.

[For text of subds 1 to 3, see M.S.1980]

Subd. 4. If compatible plans are not negotiated pursuant to subdivision 3 before the March 1 preceding any year of the agreement permitted in subdivision 1, the participating districts shall be governed by the provisions of this subdivision. Insofar as possible, teachers who have acquired continuing contract rights and whose positions are discontinued as a result of the agreement shall be employed by the other district or assigned to teach in the other district as exchange teachers pursuant to section 125.13. If necessary, teachers who are employed in either district and who have acquired continuing contract rights shall be placed on unrequested leave of absence as provided in section 125.12, subdivision 6b, in fields in which they are licensed in the inverse order in which they were employed by either district, according to a combined seniority list of teachers in the paired districts.

[For text of subds 5 and 6, see M.S.1980]

History: 1981 c 146 s 1