

An Act

ENROLLED SENATE
BILL NO. 1713

By: Jech of the Senate

and

Baker and Strom of the
House

An Act relating to interlocal cooperative agreements; amending 70 O.S. 2021, Section 5-117b, which relates to interlocal cooperative agreements between boards of education of two or more school districts; requiring certain boards of directors to maintain certain positions on board; updating statutory language; providing an effective date; and declaring an emergency.

SUBJECT: Interlocal cooperative agreements

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 70 O.S. 2021, Section 5-117b, is amended to read as follows:

Section 5-117b. A. The boards of education of any two or more school districts may enter into an interlocal cooperative agreement for the purpose of jointly and comparatively performing any of the services, duties, functions, activities, obligations, or responsibilities which are authorized or required by law to be performed by school districts of this state. Two or more school districts may enter into an interlocal cooperative agreement for the purpose of forming buying pools and purchasing cooperatives. As used in this section, "interlocal cooperative agreement" means an agreement which is entered into by the boards of education of two or more school districts pursuant to the provisions of this section. This section shall not prohibit school districts from entering into cooperative agreements authorized under Section 5-117 of this title

or interfere with existing cooperative agreements between school districts. If the boards of education of any two or more school districts enter into an interlocal cooperative agreement the following conditions may apply:

1. An interlocal cooperative agreement shall establish a board of directors which shall be responsible for administering the joint or cooperative undertaking. The agreement shall specify the organization, terms, and composition of, and manner of appointment to, the board of directors and shall make provision for restructuring or terminating the board upon partial or complete termination of the agreement. The board of directors shall be selected by the board of education of each contracting school district and may include but not be limited to a board member, administrator, or teacher from each contracting school district. Vacancies in the membership of the board of directors shall be filled within thirty (30) days from the date of the vacancy in the manner specified in the agreement. Provided, however, an interlocal cooperative agreement entered into pursuant to this act for the purpose of providing insurance for Oklahoma educational institutions shall maintain at least one of each of the following positions on the board of directors:

- a. an individual who is a member of the American Academy of Actuaries, and
- b. an individual with more than ten (10) years of professional experience in property and casualty insurance;

2. An interlocal cooperative agreement which is optional to school districts and shall be effective only after it is approved by the State Board of Education and the board of directors may be designated as a local education agency for some or all state and federal application, reporting, and auditing procedures. An interlocal cooperative board of directors that has been designated as a local education agency shall comply with state and federal law and the regulations of the State Board of Education;

3. An interlocal cooperative agreement shall be subject to change or termination by a recommendation of the State Board of Education;

4. The duration of an interlocal cooperative agreement for joint or cooperative action in performing any of the services, duties, functions, activities, obligations, or responsibilities, other than the provision of special education services, which are authorized or required by law of school districts in this state, shall be for a term of not less than one (1) year. Notice of intent of a school district to withdraw from the cooperative agreement must be given no later than March 15 for the ensuing school year;

5. An interlocal cooperative agreement shall specify the method or methods to be employed for disposing of property upon partial or complete termination of the agreement;

6. Within the limitations provided by law, an interlocal cooperative agreement may be changed or modified by majority consent of the interlocal cooperative board of directors;

7. Except as otherwise specifically provided in this section, any powers, privileges, or authority exercised or capable of being exercised by any school district of this state, or by any board of education thereof, may be jointly exercised pursuant to the provisions of an interlocal cooperative agreement. Federal grant money, applied for on behalf of a school district, may be disbursed directly to ~~a~~ an interlocal cooperative with the consent of the school districts comprising the interlocal cooperative. No powers, privileges, or authority with respect to the levy and collection of taxes or the application for or receipt of State Aid formula money, or the issuance of bonds shall be created or effectuated for joint exercise pursuant to the provisions of an interlocal cooperative agreement; and

8. Payments from the general fund of each school district which enters into any interlocal cooperative agreement for the purpose of financing the joint or cooperative undertaking provided for by the agreement shall be operating expenses.

B. Nothing contained in this section shall be construed to abrogate, interfere with, impair, qualify, or affect in any manner the exercise and enjoyment of all the powers, privileges, and authority conferred upon school districts and boards of education by law, except that boards of education and school districts are

required to comply with the provisions of this section when entering into an interlocal cooperative agreement that meets the definition of an interlocal cooperative agreement.

SECTION 2. This act shall become effective July 1, 2024.

SECTION 3. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 7th day of March, 2024.

Presiding Officer of the Senate

Passed the House of Representatives the 18th day of April, 2024.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____