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2	79th General Assembly A Bill						
3	Regular Session, 1993HOUSE BILL1034						
4	By: Representatives Thicksten and Mahony						
5							
6							
7	For An Act To Be Entitled						
8	"AN ACT TO AMEND OR REPEAL VARIOUS SECTIONS OF TITLE 6 OF						
9	THE ARKANSAS CODE RELATING TO ELEMENTARY AND SECONDARY						
10	EDUCATION THAT ARE ANTIQUATED, SUPERSEDED, INCONSISTENT OR						
11	AMBIGUOUS; AND FOR OTHER PURPOSES."						
12							
13	Subtitle						
14	"AN ACT TO AMEND OR REPEAL VARIOUS SECTIONS OF TITLE 6 OF						
15	THE ARKANSAS CODE RELATING TO ELEMENTARY OR SECONDARY						
16	EDUCATION THAT ARE ANTIQUATED, SUPERSEDED, INCONSISTENT,						
17	OR AMBIGUOUS."						
18							
19	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:						
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21	SECTION 1. LEGISLATIVE INTENT AND PURPOSE. The General Assembly hereby						
22	acknowledges that many of the laws relating to elementary and secondary						
23	education in this state are either antiquated or ambiguous or are inconsistent						
24	with more recently enacted provisions of law. Consequently, it is the intent						
25	of the General Assembly and the purpose of this Act to adopt the						
26	recommendations of the Education Laws Revision Commission established under						
27	Act 979 of 1991 to clarify the relevant chapters of Title 6 of the Arkansas						
28	Code Annotated of 1987.						
29							
30	SECTION 2. (a) Arkansas Code Annotated § 6-2-106 is hereby repealed.						
31	(b) Arkansas Code Annotated § 6-2-108 is hereby amended to read as						
32	follows:						
33	"6-2-108. Filing and recording fees.						
34	The Secretary of State may set and receive a reasonable fee for the						
35	filing and recording of a charter of any educational institution or any						

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1 certificate as to change of name or of the provisions of any such charter.

2 Such fee shall be paid by the Board of Trustees of the institution filing such 3 document."

4 (c) Arkansas Code Annotated § 6-2-111 is hereby amended to read as 5 follows:

6 "6-2-111. Degrees, diplomas, and honors.

7 (a) All institutions incorporated as colleges or universities shall

8 have power to confer the customary degrees and grant the usual diplomas and9 honors conferred by reputable institutions of like grade.

10 (b)(1) No degree or diploma of any kind shall be conferred by any 11 institution of higher education that has not been incorporated in the manner 12 provided by law.

13 (2) No institution of higher education shall confer degrees upon
14 students for mere correspondence courses or upon any student who has not
15 studied in residence at the institution for one (1) scholastic year;

16 (3) No purely honorary degree shall be conferred except by 17 institutions of higher education maintaining standard collegiate or university 18 courses with at least six (6) full professors and a body of genuine college or 19 university students in residence.

(c) Any president, professor, or other officer of any institution of higher education who shall violate the provisions of subsection (b) of this section shall be deemed guilty of a misdemeanor and upon conviction shall be fined in any sum not less than fifty dollars (\$50.00) nor more than one thousand dollars (\$1,000), and it is made the duty of the State Board of Higher Education to enforce this section."

26

27 SECTION 3. (a) Arkansas Code Annotated § 6-10-108(b) is hereby amended 28 to read as follows:

"(b) The board of directors of any school district is authorized to initiate and maintain a twelve-month year-round educational program in any or all of the public schools in the district. However, any school district which does not elect to operate on a twelve-month basis must start school in accordance with the provisions of §6-10-106."

34

35 SECTION 4. (a) Arkansas Code Annotated § 6-11-101(a) is hereby amended

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1 to read as follows: "(a) The State Board of Education shall be composed of nine (9) 2 3 members, two (2) to be selected from each congressional district of the state 4 and the remainder to be appointed at large from within the state." (c) Arkansas Code Annotated § 6-11-101(q) is hereby amended to read as 5 6 follows: "(g) The members of the State Board of Education shall serve without 7 8 remuneration other than: 9 (1) Their actual expenses while attending regular and special 10 meetings of the board; and 11 (2) A per diem allowance when in attendance at regular or special 12 meetings of the board." (d) Arkansas Code Annotated § 6-11-102(d) is hereby amended to read as 13 14 follows: "(d) It is the specific intention of this act to define and declare the 15 16 Director of General Education to be the employee of the State Board of Education and the Director of Vocational and Technical Education to be the 17 employeeof the State Board of Vocational Education." 18 (e) Arkansas Code Annotated § 6-11-102(f) is hereby amended to read as 19 20 follows: 21 "(f) The state shall furnish the directors with suitable offices." 22 (f) Arkansas Code Annotated § 6-11-104 is hereby amended to read as 23 follows: 24 "6-11-104. Meetings. 25 The State Board of Education shall meet a minimum of six (6) times (a) 26 annually. The board will meet each December to determine the meeting dates for 27 the following year. Special meetings may be called by the chairman of the 28 board on five (5) days' written notice to the members. In the absence of the 29 chairman, the Director of the Division of General Education shall call a 30 meeting on the request of three (3) members of the board. If both the chairman 31 and the Director of the Division of General Education shall be absent or 32 refuse to call a meeting, any three (3) members of the board may call a 33 meeting by similar notices in writing. The State Board of Vocational Education shall meet a minimum of 34 (b) 35 four (4) times annually. The board will meet each July to determine the

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1 meeting dates for the following year. Special meetings may be called by the 2 chairman of the board on five (5) days' written notice to the members. In the 3 absence of the chairman, the Director of the Division of Vocational and 4 Technical Education shall call a meeting on the request of three (3) members 5 of the board. If both the chairman and the Director of the Division of 6 Vocational and Technical Education shall be absent or refuse to call a 7 meeting, any three (3) members of the board may call a meeting by similar 8 notices in writing."

9 (f) The following laws are hereby repealed: Arkansas Code Annotated 10 §§6-11-109 and 6-11-123.

11

SECTION 5. (a) Arkansas Code Annotated § 6-12-102(c) is hereby amended to read as follows:

14 "(c) The county boards of education may hire the staff they deem 15 necessary and establish the salaries for that staff."

16 (b) Arkansas Code Annotated § 6-12-106 is hereby amended to read as 17 follows:

18 "6-12-106. Organization.

19 (a) Within thirty (30) days after its election, the members of the 20 county board of education shall meet at the county courthouse and organize by 21 electing one (1) of its members as chairman.

22 (b) The county board shall designate an ex officio secretary of the 23 board."

24 (c) Arkansas Code Annotated § 6-12-108(a) is hereby amended to read as 25 follows:

26 "(a) The public school districts in the several counties of the state 27 shall each employ a superintendent of schools, whose qualifications and duties 28 shall be prescribed by the State Board of Education."

29 (d) Arkansas Code Annotated § 6-12-109(b) is hereby amended to read as 30 follows:

31 "(b) Specifically, these duties, among others, shall include the 32 following:

33 (1) To apportion all school funds as provided by law and in34 conformity to the regulations of the State Board of Education;

35 (2) To form local school districts, change boundary lines of

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1 school districts, dissolve school districts and annex the territory of such 2 districts to another district, create new school districts, and perform all 3 other functions regarding changes in school districts, in accordance with the 4 law; (3) To transfer funds and attach territory which is in no school 5 6 district to other districts as may seem best for the educational welfare of 7 the county; (4) To cause to be set aside from funds in the county general 8 9 school fund amounts necessary for the expenses of the board and of any 10 designee; 11 (5) To administer the compulsory school attendance laws in the 12 county; To approve budgets of school districts coming under the 13 (6) 14 provisions of this chapter; 15 (7) To appoint all school directors in all school districts where 16 the authority to do so has heretofore been conferred on any county judge of 17 any county." (e) Arkansas Code Annotated § 6-12-113 is hereby repealed. 18 Arkansas Code Annotated § 6-12-201(a) is hereby amended to read as 19 (f) 20 follows: 21 "(a) The county board of education may select and employ a person to be 22 county school supervisor and contract with him for such service for a term of 23 one (1) or two (2) years, subject to reemployment, provided that neither 24 husband nor wife of a member of the county board of education nor any person 25 related within the fourth degree of consanguinity or affinity to any member of 26 the county board of education shall be eligible for such employment." 27 28 SECTION 6. (a) Arkansas Code Annotated § 6-13-101 is hereby amended to 29 read as follows: "6-13-101. Only one kind of school district. 30 31 There shall be only one (1) kind of school district in this state, (a) 32 and each shall have the same prerogatives, powers, duties, and privileges as 33 herein set forth. (b) All school districts which may be hereafter created shall be the 34 35 same kind, with the same prerogatives, powers, duties, and privileges as

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1 provided by law."
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2 (b) Arkansas Code Annotated § 6-13-104 is hereby amended to read as 3 follows:

4 "6-13-104. Uncertain boundaries. In case there is any doubt as to the 5 boundaries of a school district because of lost records or other uncertainty, 6 the county board of education shall issue an order fixing the boundaries and 7 shall file the order with the county clerk who shall make a permanent record 8 of the order, and thereafter the boundaries so fixed shall be the boundaries 9 of the district until changes are made according to the provisions of law, and 10 the district shall be a school district according to the provisions of this 11 act."

(c) Arkansas Code Annotated § 6-13-108 is hereby repealed. 12 13 14 SECTION 7. (a) The following laws are hereby repealed: 15 (1) Arkansas Code Annotated §§ 6-13-201 through 6-13-217. 16 (2) Arkansas Code Annotated §§ 6-13-219 through 6-13-222. 17 (3) Arkansas Code Annotated §§ 6-13-301 through 6-13-311. (4) Arkansas Code Annotated §§ 6-13-401 through 6-13-412. 18 (5) Arkansas Code Annotated §§ 6-13-501 and 6-13-502. 19 (6) Arkansas Code Annotated §§ 6-13-504 through 6-13-507. 20 21 (7)Arkansas Code Annotated §§ 6-13-601 through 6-13-603. 22 Arkansas Code Annotated § 6-13-604(a) is hereby amended to read as (b)

23 follows:

"(a) The board of directors of any school district in this state which now has or which is authorized to have five (5) or more directors may file a petition with the county board of education requesting an increase in the number of directors for such district to any number not to exceed seven (7); provided that in any school district in the state having an average daily attendance of twenty-five thousand (25,000) or more, the petition may request that the board of directors for the district be increased to nine (9) members."

32 (c) Arkansas Code Annotated § 6-13-604(c) is hereby amended to read as33 follows:

34 "(c) Upon a showing that the increase will be for the benefit of the 35 district petitioning for it, the county board of education is authorized to

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1 increase the number of directors for such district to any number not to exceed 2 seven (7) or not to exceed nine (9) in the case of a school district having an 3 average daily attendance of twenty-five thousand (25,000) or more."

4 (d) Arkansas Code Annotated §§ 6-13-605, 6-13-609, and 6-13-610 are 5 hereby repealed.

6 (e) Arkansas Code Annotated § 6-13-613(d) is hereby amended to read as 7 follows:

8 "(d) It shall be the duty of the secretary of the school board to 9 notify the county board or the board's designee of such appointments within 10 five (5) days of the appointment if made by the local board. This notice 11 shall state the name of the person who the appointee is succeeding and the 12 expiration date of the term of office."

13 (f) Arkansas Code Annotated § 6-13-616 is hereby amended to read as 14 follows:

15 "6-13-616. Qualifications of directors.

(a) Except as provided in subsection (b) of this section, no person
17 shall be eligible to be a member of any school district board of directors in
18 this state unless he is a qualified elector of the school district which he
19 serves.

20 (b)(1) A person whose residential property contains portions of two (2) 21 school districts shall be eligible to be a member of either of the school 22 district_s board of directors provided he is a qualified elector of the county 23 in which the school district for which he seeks the position lies and he has 24 or formerly had children enrolled in that school district.

25 (2) For purposes of this subsection, _residential property_ means 26 that parcel of land which contains the dwelling in which the person resides 27 not less than nine (9) months out of each year."

28 (g) Arkansas Code Annotated § 6-13-620 is hereby amended to read as 29 follows:

30 "6-13-620. Powers and duties. The board of directors of each school 31 district in the state shall be charged with the following powers and perform 32 the following duties:

33 (1) Have the care and custody of the schoolhouse, grounds, and other 34 property belonging to the district; and shall keep it in good repair, in 35 sanitary and sightly condition; and lease sixteenth section lands located in

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the school district, individually or in conjunction with the other boards of
 directors of other school districts interested in the sixteenth section, as
 the case may be.

4 (2) Purchase buildings or rent schoolhouses and sites therefor and 5 sell, rent, or exchange such sites or schoolhouses. Provided, that in the 6 selection of any school site or the erection of any schoolhouse outside of an 7 incorporated town or city that contains two thousand five hundred (2,500) or 8 more inhabitants, the selection or erection shall be approved by the county 9 board of education before the contract for securing the site or contract for 10 building the house is made.

11 (3) Employ teachers and other employees necessary for the proper 12 conduct of the public schools of the district and make written contracts with 13 teachers and all other employees in the form prescribed by the State Board of 14 Education.

15 (A) There shall be four (4) copies of each contract made:
16 (i) One (1) copy to be retained by the board;
17 (ii) One (1) copy to be given to the employee;
18 (iii) One (1) copy to be forwarded to the county treasurer;
19 and

20 (iv) One (1) copy to be filed with the county board or the 21 board's designee.

(B) Relationship by any degree of affinity or consanguinity to a
member of the county school board shall in no way prejudice the employment or
hiring of anyone by a school board or public school district.

25 (C) The issuing of annual contracts to personnel other than 26 substitute teachers employed on a daily basis and teachers shall be in writing 27 and shall recite the duration of employment, specific duties, and annual 28 salary.

(4) See that all subjects for study prescribed by the State Board of
Education or by law for all grades of schools in their district are taught.
(5) Procure from the county board or the board's designee all forms for
each teacher at the commencement of the school term, including a register and
such other forms and blanks and supplies as are required by law to be
furnished to the teachers.

35 (6) Visit the schools frequently, see to the welfare of the pupils,

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encourage them in their studies, and assist the teacher in the work so far as
 they can.

3 (7) Prepare, send a copy thereof to the county board of education, and 4 publish once a week for three (3) consecutive weeks in a newspaper published 5 in the county at least twenty-five (25) days before the annual election an 6 estimate of the amount of money needed by the district for the ensuing year, 7 showing separately the amount needed for general control, instruction, 8 operation of the plant, maintenance of the plant, auxiliary agencies, fixed 9 charges, capital outlay, and debt service.

10 (8) Issue warrants on the county treasurer in accordance with the 11 provisions of this act for the payment of salaries due teachers and other 12 employees, and for any other lawful purposes, and state in the warrants the 13 consideration for which it is drawn, provided that the issuance of the 14 warrants for the purposes set out in subdivision (10) of this section shall be 15 governed by the penalty therein set out. The warrant shall be in the form 16 approved by the State Board of Education.

(9) Obtain from the county collector and county treasurer information
18 from time to time as to the state of finances of their school district, and to
19 keep their expenditures safely within the means of the district.

20 (10) Buy and pay for out of district school funds supplies such as 21 fuel, crayons, charts, globes, dictionaries, etc., which may be necessary for 22 the efficient operation of the schools, provided that, for schools except for 23 those in cities having two thousand five hundred (2,500) or more population, 24 the supplies meet the approval of the county board or the board's designee in 25 price and merit and provided further that no warrants shall be issued by any 26 school board for the payment of the supplies or services set out in this 27 subdivision until the supplies or services shall have been delivered to the 28 school. If any school board or any part of the directors of any school board 29 in the State of Arkansas shall issue warrants in payment of supplies or 30 services prior to the delivery of the supplies or services to the school, and 31 the school district suffers any loss because of the failure of the seller to 32 deliver the supplies or services or because of the defective quality of the 33 supplies or services or for any other reason, then the directors shall be 34 personally liable to the school district for the total amount of loss suffered 35 by the district.

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1 (11) (A) If in any school district it should be apparent that the 2 schools cannot be operated for the remainder of the school year without 3 incurring more indebtedness than that represented by outstanding bonds and 4 those that may be issued for buildings, equipment for the school buildings, 5 purchasing sites, and repairing school buildings, or the improvement of sites, 6 it shall be the duty of the school district board of directors to close the 7 school and cease paying the teachers for the remainder of that fiscal year; 8 and each contract made with the teachers shall be subject to that contingency, 9 and the district shall not be liable for teachers' salaries for the time the 10 school is so closed.

(B) Should any director participate in keeping a school open and incurring additional expenses which would cause increased indebtedness of the district herein prohibited, he shall be liable personally for the amount of such additional indebtedness.

15 (C) However, in cases of an emergency the State Board of
16 Education may grant special permission to a district to create temporary
17 current indebtedness.

(D) Nothing herein shall prevent any school district board of directors from borrowing money from banks, individuals, or from next year's revenue in order to provide funds in such amount that the maximum nonbonded indebtedness of their school district so incurred shall not be greater than the maximum nonbonded indebtedness of such districts was at any time during the preceding fiscal year.

(E) If any nonbonded debt is funded by the issuance of bonds, the amount so funded shall not be considered in determining the maximum amount of nonbonded indebtedness during the preceding fiscal year.

27 (12) Do all other things necessary and lawful for the conduct of28 efficient free public schools in the district."

29 (h) Arkansas Code Annotated § 6-13-621 is hereby repealed.

30 (i) Arkansas Code Annotated § 6-13-701(d) is hereby amended to read as 31 follows:

"(d) The duties of the school district treasurer shall be as follows:
(1) To receive and disburse funds of the school district.
Disbursements of such funds shall be made only upon warrants signed by the
president and secretary of the school district board of directors and

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1 countersigned by the superintendent of schools of the district. As an 2 evidence of authority for disbursement of any funds, he shall have on hand 3 approved invoices and payrolls, such payrolls to be in conformance with 4 written contracts on file in his office; (2) To keep record of all financial transactions of the school 5 6 district on forms approved by the Department of Education and the Division of 7 Legislative Audit; (3) To make a monthly statement to the school district board of 8 9 directors of the financial condition of the district; (4) To submit an annual statement of the affairs of the district 10 11 to the school district board of directors in July of each year; To make such financial reports to the county board or the 12 (5) 13 board's designee and Department of Education as are required by law; 14 (6) Not to be interested directly or indirectly in any contract 15 authorized by the school district board of directors; 16 (7) To make his records available at all times for inspection by 17 any taxpayer of the district." (j) Arkansas Code Annotated § 6-13-703 is hereby repealed. 18 Arkansas Code Annotated § 6-13-1017(c) is hereby amended to read as 19 (k) 20 follows: 21 "(c) Education service cooperatives may provide shared educational 22 programs and services such as needs assessment and school improvement 23 planning, staff development, curriculum development, itinerant teachers, 24 instructional materials, adult and vocational education, programs for gifted 25 and talented, education for children with disabilities, and other services 26 which the State Board of Education may approve or which school districts may 27 support with local funds." (1) Arkansas Code Annotated §6-13-1202 is hereby amended by adding a 28 29 new subsection (c) to read as follows: "(c)(1) The county boards of education shall not merge, add, or annex 30 31 any territory or district to, or consolidate any territory or district with,

32 another school district or districts which are not geographically contiguous 33 unless granted permission to do so by the State Board of Education under the 34 limited circumstances as provided in this Act.

35

(2) The county boards of education may petition the State Board

1 of Education for permission to merge, annex, or consolidate school districts 2 which are noncontiguous geographically. The State Board of Education may 3 grant permission for noncontiguous school districts to be merged, annexed, 4 consolidated if the county board seeking permission can provide evidence that 5 the merger, annexation, or consolidation will:

6 (A) Result in the overall advancement of the level of the 7 educational curriculum for all the school districts involved; or

8 (B) Provide a significant advantage in transportation costs9 or travel to all the school districts involved."

10 (m) Arkansas Code Annotated § 6-13-1203 is hereby amended to read as 11 follows:

12 "6

"6-13-1203. Special election.

13 (a)(1) An election on the question of annexation or consolidation shall14 be held at a special election called by the controlling county board of15 education.

16 (2) The controlling county board of education shall prepare the 17 form of ballot for any election on the formation of school districts and the 18 dissolution thereof or the annexation of territory as herein provided.

(b) Upon receipt of a resolution by the district board of directors for annexation or consolidation of the school district, or upon petition of at least ten percent (10%) of the qualified electors of the district, the controlling county board of education shall call a special election on the question of annexation or consolidation.

(c) (1) All petitions shall be filed with the county clerk of the county
in which the largest portion of the resulting district shall lie, who shall,
within fourteen (14) days of receipt, certify the signatures on the petition
and notify the county board of education.

(2) Any elector signing the petition may have his name stricken
from the petition, upon written demand, at any time prior to the final action
of the county board upon the petition.

(d) (1) Upon receipt of the certified petition, the controlling county board of education shall consider whether the petition is signed by the requisite number of electors. For the purpose of determining whether the petition contains a majority of the qualified electors of each district, a majority shall be determined as of the date the petition is considered by the

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1 controlling county board of education.

2 (2) Upon receipt of the certified petition, the controlling 3 county board of education shall set a date for the election and file notice of 4 such election with the county clerk, and shall publish notice of same, clearly 5 stating the date and purpose, once a week for three (3) weeks, the last date 6 not more than five (5) days prior to the election, in a newspaper having 7 general circulation in the resulting district.

8 (e) Any action for the formation of a new school district or a change 9 of the boundaries of existing school districts shall be accompanied by a map 10 showing the proposed changes."

(n) Subchapter 12 of Chapter 13 of Title 6 of the Arkansas Code is hereby amended by adding at the end thereof an additional section to read as follows:

14 "6-13-1208. (a) On the change of any boundaries of school districts, 15 notice:

16 (1) Shall immediately be given to the State Board of Education 17 and mailed to the president of the board of directors in each district 18 affected; and

19 (2) Shall be filed with the county board of education or the20 board_s designee.

(b) It shall be the duty of the controlling county board to immediately 22 make such changes in the maps of the school districts of the county to 23 properly show the changes of boundaries."

24

25 SECTION 8. (a) Arkansas Code Annotated §6-14-102 is hereby amended to 26 read as follows:

27 "6-14-102. Annual election date.

(a) The annual school election shall be held in each school district ofthe state on the third Tuesday in September.

30 (b) However, when any school district in this state suffers damage to 31 its physical facilities in an amount exceeding one hundred twenty-five 32 thousand dollars (\$125,000) as a result of fire or other natural disaster, the 33 board of directors of that school district is authorized to set the date of 34 the next annual school election in that district.

35 (c) If the board of directors of the school district determines that

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1 the proceeds of insurance on those facilities will be insufficient to restore 2 or replace the facilities, the board of directors may, by resolution duly 3 adopted and with the approval of the Director of the Department of Education, 4 Division of General Education, postpone the date of the annual school election 5 in that school district for such year from the third Tuesday in September to 6 the second Tuesday in December.

7 (d) Certified copies of the resolution shall be delivered not later 8 than the Monday next preceding the third Tuesday in September to the Director 9 of the Department of Education, Division of General Education, and to the 10 county supervisor, or secretary of the county board of education if there is 11 no county school supervisor, and chairman of the county board of election 12 commissioners of each county in which any of the territory of the school 13 district is located."

14 (b) Arkansas Code Annotated §§6-14-103 and 6-14-107 are hereby15 repealed.

16 (c) Arkansas Code Annotated § 6-14-121 is hereby amended to read as 17 follows:

18 "6-14-121. Runoff elections.

(a) Whenever there are more than two (2) candidates for election to any county or district school board at any election held in this state, and no candidate for any county or district position receives a majority of the votes cast for the office, there shall be a runoff election held in the county or district. The runoff election shall be held two (2) weeks following the date of the election; the names of the two (2) candidates receiving the highest number of votes, but not a majority, shall be placed on the ballot to be voted upon by the qualified electors of the county or the district, as the case may provide the case may

(b) The person receiving the majority of the votes cast for the29 position at the runoff election shall be declared elected.

30 (c) In the event the two (2) candidates seeking election to the same 31 county or district position shall receive the same number of votes, a tie 32 shall be deemed to exist. The county board of education, at an open public 33 meeting and in the presence of the two (2) candidates, shall determine the 34 winner by lot.

35 (d) The provisions of this section are intended to be in addition to

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1 and supplemental to the laws of this state pertaining to the election of 2 county and district school board directors." 3 4 SECTION 9. (a) Arkansas Code Annotated § 6-15-207 is hereby amended to 5 read as follows: 6 "6-15-207. Annexation and combination by petition. 7 (a) Any school district may petition the county board of education of 8 the county in which the district is administered to combine the district's top 9 four (4) grades or top six (6) grades with an adjoining district which 10 operates a secondary program which meets the minimum standards for

11 accreditation.

(b) Upon receipt of such a petition, the county board of education
shall order the combination of the secondary program of such district with an
adjoining district for purposes of operation of the top four (4) or top six
(6) grades.

16 (c) Any school district directed by order of the county board of 17 education to participate in such a combination is mandated to accept the 18 students transferred to such district.

19 (d) Any district exercising the option provided herein shall continue 20 to exist as a separate school district to operate a school with grades 21 kindergarten through six (6) and may operate grades seven (7) and eight (8) if 22 the district's educational program at grade seven (7) and eight (8) meets 23 minimum accreditation standards.

(e) Such district shall have all rights, duties, and powers granted to
25 school districts under the laws of this state, except that such district may
26 not establish or operate a high school.

(f) The county board of education when ordering such a combination shall order the affected districts to enter into a contract for the transfer of specified revenues from the petitioning district to the receiving district on an annual basis.

31 (g) The amount of revenues to be transferred from the petitioning 32 district to the receiving district shall be determined in accordance with 33 guidelines which the State Board of Education is directed to formulate to 34 assure equitable reallocation of revenues for the operation of combined 35 educational programs."

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(b) Arkansas Code Annotated §§ 6-15-208 through 6-15-210 and 6-15-212
 2 are hereby repealed.

3 (c) Arkansas Code Annotated § 6-15-408 is hereby amended to read as 4 follows:

5 "6-15-408. Administration of basic competency tests to third and sixth 6 graders - Effect.

7 (a) Basic competency tests in reading and mathematics shall be 8 administered to all third grade students except those children with 9 disabilities exempted pursuant to the provisions of 6-15-411.

(b) Basic competency tests in reading, mathematics, science, social
studies, and language arts shall be administered to all sixth grade students
except those children with disabilities exempted pursuant to the provisions of
§6-15-411.

(c) Any student who does not score at or above the level of mastery of basic skills as established by the Department of Education shall be evaluated by the student's school principal, teachers, and counselor who shall jointly develop an academic skills plan to assist the student in achieving mastery of basic skills in subject areas where performance is below mastery level.

(d) School principals and classroom teachers shall consider performance on basic competency tests and other relevant indicators of student competency in determining promotion or retention of students at grade levels third and sixth. Retention of a student in grade levels third and sixth shall not be based solely on performance on basic competency tests."

24 (d) Arkansas Code Annotated § 6-15-409(a) is hereby amended to read as 25 follows:

26 "(a) In school year 1986-87 and annually thereafter, basic competency 27 tests in reading, mathematics, science, social studies, and language arts 28 shall be administered to all students in the eighth grade, except those 29 children with disabilities exempted pursuant to the provisions of 6-15-411." 30 (e) Arkansas Code Annotated § 6-15-411 is hereby amended to read as 31 follows:

32 "6-15-411. Handicapped students. The Department of Education shall 33 promote regulations consistent with Public Law 94-142 and 6-41-201 et seq. for 34 application of the provisions of this subchapter to students classified as 35 children with disabilities pursuant to the provisions of those acts."

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1 (f) Arkansas Code Annotated § 6-15-902(a) is hereby amended to read as 2 follows: 3 "(a) The following grading scale shall be used by all public schools in 4 the state for all courses in grades nine (9) through twelve (12), except 5 advanced placement, offered: 6 (1) A = 93 - 100;7 (2) B = 83-92;(3) C = 70-82; 8 9 (4) D = 60-69; and (5) F = 59 and below." 10 11 SECTION 10. (a) Arkansas Code Annotated § 6-16-101 is hereby repealed. 12 (b) Arkansas Code Annotated § 6-16-111 is hereby amended to read as 13 14 follows: 15 "6-16-111. Morals, manners, patriotism, and business and professional 16 integrity.Curricula in morals, manners, patriotism, and business and 17 professional integrity shall be included in the course of study for the state 18 public schools." 19 (c) Arkansas Code Annotated § 6-16-113 is hereby repealed. 20 (d) Arkansas Code Annotated § 6-16-118 is hereby amended to read as 21 follows: 22 "6-16-118. GED testing for adults. General Educational Development 23 tests for adults shall be administered by the county board or the board's 24 designee and other educational agencies and institutions approved by the 25 Department of Education and the American Council on Education." 26 27 SECTION 11. (a) Arkansas Code Annotated § 6-17-103 is hereby repealed. (b) Arkansas Code Annotated § 6-17-104(b) is hereby amended to read as 28 29 follows: 30 "(b) No teacher shall be entitled to the last month's pay for any 31 school taught by him until he shall have returned to the county board or the 32 board's designee of the county in which such school was taught, the daily 33 register furnished him, with all statistical work which teachers are by law 34 required to perform, perfect, and complete, and no director shall otherwise 35 issue an order for the last month's pay."

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1 (C) Arkansas Code Annotated § 6-17-105(a) is hereby amended to read as 2 follows: ٦ "(a) All principals or head teachers of each public school shall 4 transmit to the county board or the board's designee, not later than July 10 5 of each year, a written report showing: 6 (1)The number and name of the school district; 7 The number by school grades of males and females, (2) 8 respectively, of each race, that attended school during the last preceding 9 school year; The average number of each sex in each school grade that 10 (3) 11 attended daily; The number of days the school was taught during the year by a 12 (4)13 licensed teacher; 14 (5) The name of each teacher, the grade of his certificate, the 15 salary paid each teacher per month, and the whole amount of salary paid the 16 teacher during the last school year; and 17 (6) All other information called for by the State Board of 18 Education." 19 (d) Arkansas Code Annotated § 6-17-401(b) is hereby amended to read as 20 follows: 21 "(b) No license shall be valid in any county until it has been 22 registered in the office of the county board or the board's designee." (e) Arkansas Code Annotated § 6-17-408(a) is hereby amended to read as 23 24 follows: 25 "(a) In any action filed in any court in this state, wherein the party 26 instituting the action seeks or has sought to impose upon any county 27 treasurer, county board, or superintendent of schools any liability arising 28 out of failure to file a teacher's certificate in the office of the county 29 board and arising out of the failure to file a teacher's contract, which would 30 have been valid except for prior failure to file a teacher's license in the 31 office of the county board, the county treasurer, school superintendent, or 32 county board against whom such liability is sought to be imposed may assert 33 as a complete defense the filing in the office of the county board, at any 34 time before final judgment in the action, of a teacher's license for the 35 particular teacher involved showing on its face that the particular teacher to

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1 whom the license was issued possesses all the qualifications required by law 2 and the particular teacher's contract as of the date the teacher was required 3 to perform the teaching contract." 4 (f) Arkansas Code Annotated § 6-17-902 is hereby amended to read as 5 follows: 6 "6-17-902. Definitions. As used in this subchapter, unless the context 7 otherwise requires: Teacher shall include any full-time employee of a school district who 8 is compelled by law to secure a license from the State Board of Education." 9 Arkansas Code Annotated §§ 6-17-903 through 6-17-906 are hereby 10 (q) 11 repealed. Arkansas Code Annotated § 6-17-907 is hereby amended to read as 12 (h) 13 follows: 14 "6-17-907. Funds generally. 15 The county treasurer of each county in the state is directed to (a) 16 establish for each school district in his county the following funds: 17 (1) The teachers' salary fund; (2) Operating fund; 18 (3) Building fund; 19 20 (4) Debt service fund; 21 (5) Capital outlay fund; and 22 Consolidated federal grants fund - Control. (6) (b) The county treasurer shall credit to the operating fund all other 23 24 revenues not earmarked for the building fund, debt service fund, or capital outlay fund. 25 26 (C) He shall credit to the building fund those funds received: (1) Through the sale of bonds or otherwise; 27 28 (2) From insurance collected for damages to school property except when the property damages have been repaired out of the operating fund 29 which will be reimbursed by the insurance proceeds. 30 31 (d)He shall credit to the debt service fund revenue from any continuing levy for the retirement of bonded indebtedness. 32 He shall credit to the capital outlay fund any revenue specifically 33 (e) 34 dedicated for capital outlay fund purposes. (f) He shall credit all the various federal funds to the consolidated 35

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federal grants fund unless otherwise specifically designated by the Department
 of Education.

3 (g) The county treasurer charged with custody of the aforementioned 4 consolidated federal grants fund shall be responsible only for the combined 5 federal funds in his possession without regard to the various approved 6 projects and limitations within the total federal allocations to the school 7 district.

8 (h) Accountability and separability of various projects shall be the 9 responsibility of each school district.

10 (i) The approved budget for the district shall be used as a guide by11 the county treasurer in setting of these funds.

12 (j) The local board may authorize the county treasurer to transfer13 funds from the operating fund to the teachers' salary fund.

14 (k) The county board or the board's designee, by written statement, 15 shall instruct the county treasurer of the various percentages and amounts of 16 revenue to be credited to the respective funds of each school district in the 17 county.

18 (1) The county treasurer or the county board or the board's designee 19 may request representatives of the Division of Legislative Audit or of the 20 Department of Education to assist in establishing and crediting of the various 21 percentages of revenue to the respective funds."

22 (i) Arkansas Code Annotated § 6-17-908 is hereby amended to read as23 follows:

24 "6-17-908. Teachers' salary fund.

(a) Only warrants or checks in payment of salaries of teachers, as
defined in § 6-17-902(1), in payment of dues of teachers to professional
organizations, in payment of teachers' contributions to the Teacher Retirement
System, and in payment of insurance or other fringe benefits for teachers
shall be paid from the teachers' salary fund. However, insurance or other
fringe benefits must be approved by a majority of the teachers in the school
district voting in a secret election.

32 (b) The county treasurer and his surety or the district treasurer, if 33 the district has its own treasurer, and his surety shall be liable for any 34 warrants or checks paid from the teachers' salary fund which are not herein 35 authorized.

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1 (c) No officer, agent, or other person shall charge or collect any 2 commission for handling any part of the teachers' salary fund."

3 (j) Arkansas Code Annotated §§ 6-17-909 and 6-17-910 are hereby 4 repealed.

5 (k) Arkansas Code Annotated § 6-17-911 is hereby amended to read as 6 follows:

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"6-17-911. Effect of failure to make records and settlements.

8 (a) The disbursing officer of the State Board of Education shall 9 withhold any and all state funds due the school districts of any county until 10 the county treasurer and the county board or the board's designee have set up 11 their records in accordance with 6-17-907.

12 (b) If the county collector fails to make settlements with the county 13 treasurer as now provided by law, the county board or the board's designee 14 shall forthwith notify the Director of General Education and the Director of 15 the Department of Finance and Administration of such failure.

16 (c) If such delinquent settlement is not made within two (2) weeks, the 17 disbursing officer of the State Board of Education shall withhold any and all 18 state funds due the school districts of such county until such settlement is 19 made to the satisfaction of the director of the Department of Finance and 20 Administration."

21 (1) Arkansas Code Annotated § 6-17-912 is hereby amended to read as 22 follows:

23 "6-17-912. Advances from other funds. The county treasurer is 24 authorized to make advances from one (1) fund to another upon written request 25 from the county board or the board's designee during the fiscal year."

26 (m) Arkansas Code Annotated § 6-17-913 is hereby amended to read as 27 follows:

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"6-17-913. Audits of accounts.

(a) The accounts of all school districts shall be audited annually by30 the Division of Legislative Audit or a certified public accountant.

31 (b) Where audits are made by a certified public accountant, a certified 32 copy of the audit shall be distributed to the county board or the board's 33 designee, the school district, the Department of Finance and Administration, 34 and the Department of Education."

35 (n) Arkansas Code Annotated §§ 6-17-916 and 6-17-917 are hereby

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1 repealed.

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2 (o) Arkansas Code Annotated § 6-17-918 is hereby amended to read as3 follows:

"6-17-918. Issuing and countersigning warrants.

5 (a) For those districts for which the county board's designee does not 6 serve as ex officio financial secretary as provided in 6-12-205, it shall be 7 the duty of the district superintendent of schools to serve as ex officio 8 financial secretary and to issue and countersign all warrants.

9 (b) For those districts for which the county board's designee serves as 10 ex officio financial secretary, he shall also issue and countersign all 11 warrants.

12 (1) However, upon request of the board of directors of any other 13 school district administered in the county, the county board of education 14 shall authorize a designee to serve as ex officio financial secretary of the 15 district.

16 (2) Any school district board of directors by resolution adopted 17 by majority vote may designate the ex officio financial secretary as the 18 disbursing officer of the district, and no additional signature shall be 19 required on warrants.

20 (3) Such resolution must be filed with the county board of21 education and the county treasurer.

22 (4) No warrants shall be valid without the signature of the ex23 officio financial secretary.

(5) (A) Such countersigning officer shall give bond in the sum of two thousand dollars (\$2,000) or an amount equal to ten percent (10%) of the total amount of the estimated revenue of the school district for the school fiscal year covered by the bond, whichever is the greater, the maximum not to exceed twenty thousand dollars (\$20,000), for the faithful discharge of his duties and for the proper accounting of all school money that may come into his hands or under his control.

(B) The surety of such bond is to be a surety companyauthorized to do business in the State of Arkansas as surety.

33 (C) Such bond shall be filed in the office of the county
 34 clerk and a copy thereof filed in the office of the Director of General
 35 Education.

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(D) Premiums of such bonds shall be paid by the school 2 district board or county board in the same manner as other fixed charges. (c) The county board's designee or the district superintendent of 4 schools shall neither issue nor countersign any warrants until he has 5 determined that the warrants have been issued in conformity with 6-20-402, 6 this subchapter, and other laws." (p) Arkansas Code Annotated § 6-17-919 is hereby amended to read as 8 follows: "6-17-919. Warrants void without valid certificate and contract. (a) All warrants issued in payment of teachers' salaries are void 11 unless: The teacher has a valid teachers' certificate filed with the (1)13 county board or with the board designee's office; The teacher has been employed by a valid written contract; (2) 15 and (3) Copies of such contract are on file in the offices of the 17 county treasurer and the county board or the board's designee. The county board or the board's designee or the district (b) 19 superintendent of schools and his surety shall be liable for any warrants 20 which he countersigns in payment of teachers' salaries unless and until there 21 is a valid teachers' certificate and contract for the teacher on file with the 22 county board or with the board's designee. (c) The county treasurer and his surety shall be liable for all 24 warrants in payment of teachers' salaries which he pays unless and until there 25 is a valid contract on file in his office." (q) Arkansas Code Annotated § 6-17-920 is hereby amended to read as 27 follows: "6-17-920. Examination of teachers' contracts - Effect. (a) It shall be the duty of the county board or the board's designee,

30 when the teachers' contracts are filed as required by 6-13-620 and 6-17-919, 31 to examine such contracts.

(b) If the county board finds that any board of directors has entered 32 33 into contracts with teachers who have not recorded a valid teachers' 34 certificate with the board, the county board or the board's designee shall 35 immediately notify the board of directors in writing to correct the contract

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1 or contracts to conform to the legal requirements.

2 (c) If the board of directors does not make contracts in accordance 3 with this subsection and other legal requirements, the county board or the 4 board's designee shall notify the county treasurer that the contracts are 5 invalid.

6 (d) It shall then be the duty of the county treasurer to refuse payment 7 of warrants issued upon the contracts, and he and his sureties shall be liable 8 for failure to do so.

9 (e) Moreover, the county board or the board's designee and their surety 10 shall be liable for any warrants countersigned which are inconsistent with the 11 provisions of this section."

12 (r) Arkansas Code Annotated § 6-17-921 is hereby amended to read as 13 follows:

14 "6-17-921. Checking certain county treasurers' records - Effect.

15 (a) The county board or the board's designee in each county of the 16 state, on or before June 30 of each fiscal year, shall check the county 17 treasurer's records to ascertain whether or not each district in the county 18 has earmarked and paid the proper amount for teachers' salaries as provided 19 under current law.

20 (b) The county board or the board's designee may call upon a 21 representative of the State Board of Education to verify and approve the 22 accuracy of the board's figures.

(c) If it is found that a district has not paid to its teachers the amount required *under current law*, then the county board or the board's designee shall immediately notify the school district board in writing to make the adjustmentand shall notify the county treasurer in writing to stop payment on all warrants issued by the district until the adjustment has been made.

(d) If the county treasurer refuses to stop payment on all warrants
presented after receipt of notice from the county board or the board's
designee, then he shall be personally liable for the amount of the adjustment
due plus a penalty in an equal amount of the adjustment.

32 (e) The county board or the board's designee shall make such checks as 33 provided above and send to the school district boards and the county treasurer 34 a statement certifying whether the teachers have been paid the amount required 35 by law.

1 (f) A copy of this statement to each of the districts shall be sent to 2 the Division of Legislative Audit not later than July 10 of each year.

3 (g) If the school district board refuses to make the adjustment within 4 thirty (30) days after receipt of notice, then the county board or the board's 5 designee shall notify the disbursing officer of the State Board of Education.

6 (h) Upon receipt of this notice the disbursing officer shall withhold 7 all future allotments from state funds accruing from special taxes to which 8 the district is entitled until the adjustment has been made."

9 (s) Arkansas Code Annotated § 6-17-922 is hereby repealed.

11 SECTION 12. (a) Arkansas Code Annotated § 6-18-218 is hereby amended 12 to read as follows:

13 "6-18-218. Monthly report of parental noncompliance - Notification of 14 prosecuting attorney.

(a) It shall be the duty of each teacher in the public schools, eitherdirectly or through his or her principal or superintendent, to report

17 specially each month to the county school board or the board's designee and to 18 the clerk or secretary of the school district board of directors the names and 19 addresses of any parents or guardians residing in his or her district who have 20 failed to comply with the provisions of this act after due notice was given as 21 provided in 6-10-107.

(b) It shall be the duty of the county school board or the board's
designee to forward copies of the report, within ten (10) days after receiving
it, to the prosecuting attorney of his district.

25 (c) The provisions of this section shall not be construed as 26 conflicting with duties and powers of the attendance officers as set forth in 27 6-18-210."

(b) Arkansas Code Annotated § 6-18-219 is hereby amended to read as29 follows:

30 "6-18-219. False attendance reports. Any teacher, director, county 31 school board or the board's designee, or any other person whose duty it is to 32 make reports as to the schools of the county, who shall make a false report to 33 the county board of education or the State Board of Education as to the number 34 of children enumerated, the number enrolled in school, or the number in 35 average daily attendance in the schools shall be:

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Guilty of a misdemeanor, punishable by a fine not to exceed one 1 (1)2 hundred dollars (\$100) payable into the general school fund of the county; and ٦ (2) Liable personally for any loss of revenue which the district or 4 state sustains as a result of the false report." (c) Arkansas Code Annotated § 6-18-704(c) is hereby amended to read as 5 6 follows: 7 "(c) In districts having a high concentration of children with 8 disabling conditions as determined by the State Board of Education, the ratio 9 of school nurses-to-students should be one (1) to four hundred (400) in those 10 schools so designated." 11 (d) Arkansas Code Annotated § 6-18-704(d) is hereby amended to read as 12 follows: "(d) In a district which provides a center for profoundly disabled 13 14 students, the ratio should be one (1) school nurse per one hundred twenty-five 15 (125) students at that center." 16 17 SECTION 13. (a) Arkansas Code Annotated §§ 6-20-210 through 6-20-214 18 are hereby repealed. (b) Arkansas Code Annotated § 6-20-215 is hereby amended to read as 19 20 follows: 21 "6-20-215. General school fund - Sources generally. The general school 22 fund of any county shall be composed of all money received from the Public 23 School Fund of the state, such fines, penalties, and other money as shall be 24 accrued to such funds in accordance with the law, and any appropriation from 25 the general revenue of the county for public school purposes." 26 (c) Arkansas Code Annotated § 6-20-216 is hereby amended to read as 27 follows: "6-20-216. General school fund - Apportionment generally. The county 28 29 board of education, after setting aside the funds for the salaries and 30 expenses of the county school board designee's office, shall apportion the 31 general school fund of the county on the basis on which public school funds 32 are apportioned to the counties." (d) Arkansas Code Annotated § 6-20-220 is hereby amended to read as 33 34 follows:

35 "6-20-220. County treasurer's report to the county supervisor. The

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1	county treasurer of each county shall on or before July 10 of each year				
2	forward to the county school board or the board's designee a certified				
3	statement showing:				
4	(1) The amount of public school funds received by him;				
5	(2) From what source received;				
6	(3) How and for what purpose they have been disbursed during the past				
7	school year; and				
8	(4) The amount that remains in the treasury on July 1."				
9	(e) Arkansas Code Annotated § 6-20-302(2) is hereby amended to read as				
10	follows:				
11	"(2) _Weighted average daily membership (WADM) _ means the average daily				
12	membership plus the _add-on_ weights for special education, vocational				
13	education, and gifted and talented education.				
14	(A) Students evaluated as special education students in				
15	accordance with regulations promulgated by the Department of Education shall				
16	be given add-on weights in the following amounts for each type of setting in				
17	which services are required:				
18	Itinerant .40				
19	Resource Room .85				
20	Self-contained (Ratio of 1-15) .70				
21	Self-contained (Ratio of 1-10) 1.10				
22	Self-contained (Ratio of 1-6) 2.00				
23	Special School, Day 2.35				
24	(B) Vocational programs shall be divided into four (4) groups.				
25	Group 1 shall include career orientation and cooperative programs except those				
26	involving students with disabilities. Group 2 shall include coordinated career				
27	education, consumer and homemaking education, and exploratory programs in all				
28	occupational areas. Group 3 shall include skill training programs in all				
29	occupational areas. Group 4 shall include exceptionally high cost skill				
30	training programs limited to electronics, welding, machine shop, industrial				
31	equipment mechanics, and metal trades. Weighting for programs approved by the				
32	Vocational and Technical Education Division shall be as follows:				
33	SERVICE HOUR FULL-TIME EQUIVALENT				
34	Group 1 .067 .40				
35	Group 2 .083 .50				

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1	Group	3	.100	.60
2	Group	4	.150	.90

٦ (C) When a home district sends students to an approved vocational 4 center, funds shall be transmitted by the home district to the vocational 5 center during the year instruction is provided on the same schedule through 6 which the home district receives its Minimum Foundation Program Aid from the 7 Department of Education or on some alternate schedule approved by the 8 Vocational and Technical Education Division. These funds shall equal two 9 hundred fifty dollars (\$250) per half-time equivalent student (three (3) 10 periods) during school year 1985-86 for tuition and one hundred percent (100%) 11 of the funds generated by add-on weights. The tuition shall increase to three 12 hundred dollars (\$300) per half-time equivalent student for the school year 13 1986-87 and shall, for school years thereafter, be determined by the State 14 Board of Vocational Education after an analysis of the impact of charging 15 tuition on vocational centers enrollments. Each school district participating 16 in a vocational center shall submit to the Vocational and Technical Education 17 Division by April 10 of each year the number of students enrolled in the 18 current school year. The Vocational and Technical Education Division shall use 19 current enrollments to determine the number of add-ons to be certified, by 20 April 25 of each year, to the General Education Division which is used for the 21 computation of state aid.

(D) School districts which operate, either individually or as a part of a cooperative of districts, an approved educational program for gifted and talented students shall receive funds for the operation of the program based on an add-on weight of twenty-five hundredths (.25) for each of its students identified as being gifted and talented under guidelines and criteria approved by the State Board of Education, up to a number equal to five percent (5%) of its ADM for the previous year."

29 (f) Arkansas Code Annotated § 6-20-305 is hereby amended to read as 30 follows:

31 "6-20-305. Funds included in formula. Public school fund programs to 32 be included in the aid allocation formula provided by this subchapter are:

33 (1) Minimum Foundation Program Aid;

34 (2) Aid for Education of Children With Disabilities;

35 (3) Guidance Aid;

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1 (4)Elementary and Secondary Textbook Funds; and Vocational Aid, excluding aid for Basic and General Adult 2 (5) 3 Education." 4 Arkansas Code Annotated § 6-20-306 is hereby amended to read as (q) follows: 5 6 "6-20-306. Computation of state aid for allocation to school districts. 7 (a) (1) A charge shall be levied against each district's charged assessed valuation by property class as indicated below: 8 9 REAL PERSONAL UTILITIES AND PROPERTY PROPERTY REGULATED 10 11 CARRIERS 19 Mills 45 Mills 45 Mills 12 (2) (A) The charge levels as provided by this subsection shall be 13 14 increased by one (1) mill against each property class except personal 15 property, utilities, and regulated carriers, for each twenty-five million 16 dollars (\$25,000,000), or major fraction thereof, increase in funding by the 17 state for Minimum Foundation Program Aid. The charge levels shall not be 18 increased by more than six (6) mills, resulting in a maximum to be charged 19 under the provisions of this subsection of twenty-five (25) mills on real 20 property and fifty-one (51) mills on personal property, utilities, and 21 regulated carriers. 22 (B) The charge levels as provided by this subsection shall 23 be increased by one-tenth (1/10) mill against each property class, except 24 personal property, utilities, and regulated carriers, for each two million 25 five hundred thousand dollar increase in funding by the state for Minimum 26 Foundation Program Aid. The charge levels shall not be increased by more than 27 six (6) mills, resulting in a maximum to be charged under the provisions of 28 this subsection of twenty-five (25) mills on real property and fifty-one (51) 29 mills on personal property, utilities, and regulated carriers. 30 (3) Beginning July 1, 1995, and thereafter, the charge levels 31 provided by this subsection shall be increased by one-tenth (1/10) mill 32 against personal property, utilities, and regulated carriers for each two 33 million five hundred thousand dollar increase in funding by the state for

34 Minimum Foundation Program Aid. The charge levels shall not be increased by 35 more than six (6) mills, resulting in a maximum to be charged under the

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1 provisions of this subsection of twenty-five (25) mills on real property and 2 fifty-one (51) mills on personal property, utilities, and regulated carriers. (b) Any school district which in the second annual school election 4 after an increase is made in the state's charged millage levy votes a millage 5 levy on its assessment that is more than three (3) mills below the state's 6 charge levy on real property shall lose all add-on weights for which it 7 qualifies under § 6-20-302(2)(B), (C), (D), and (E), except that the total 8 minimum millage required to be voted under this provision to avoid such a loss

9 shall not exceed twenty-two (22) mills. Add-on weights lost under this 10 provision shall be restored in the school year following the annual school 11 election in which the voters of the district approve a tax levy on its charged 12 assessment which is within three (3) mills of the state's charged levy.

(c) Each district's state aid allocation shall be an amount determined 13 14 when its adjusted local resource rate per WADM is subtracted from the state 15 base equalization rate per WADM and the difference is multiplied by its WADM 16 of the previous year."

17 (h) Arkansas Code Annotated §§ 6-20-310(a) is hereby amended to read as 18 follows:

Funds shall be set aside from the total funds available for 19 "(a) 20 allocation under the provisions of this subchapter for adjustments in aid 21 allocation to any district whose actual real property assessment, when 22 certified by the county clerk or the county school board or the board's 23 designee, has decreased by more than five percent (5%) from the projected 24 amount used in determining the aid for the district."

25 (i) Arkansas Code Annotated §§ 6-20-312 is hereby repealed. 26 (j) Arkansas Code Annotated § 6-20-313 is hereby amended to read as 27 follows:

"6-20-313. Other set-aside funds. Other set-aside funds shall be as 28 29 follows:

Funds required for the Department of Correction school district; 30 (1)31 (2)Two hundred fifty thousand dollars (\$250,000) annually for 32 contingency aid to school districts undergoing hardships or emergencies 33 identified by criteria approved by the State Board of Education and with an 34 amount not to exceed fifteen thousand dollars (\$15,000) being awarded to any 35 one (1) school district;

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1 (3) One hundred seventy-five thousand dollars (\$175,000) for those 2 districts identified as isolated by criteria approved by the State Board of 3 Education, provided that any school district receiving such aid shall have 4 voted at the previous school election a millage levy equal to at least the 5 state millage charge on real property, as set forth in 6-20-306(a);

6 (4) Funds sufficient to pay the school employee liability insurance
7 required by 6-17-1113 and funds necessary to pay the amounts required by
8 6-20-302(13), 6-20-306(d), and 6-20-309;

9 (5) Funds shall also be set aside to pay for the educational costs of 10 children without disabilities who have been placed in approved residential 11 treatment facilities, as defined by the Arkansas Department of Education 12 (ADE), Division of Special Education, up to an amount equal to the product of 13 the regular ADM count plus an add-on weight of three and one-tenth (3.1) for 14 residential placement and the state base equalization rate; and for the 15 educational costs of children without disabilities in school districts not 16 qualifying for any Minimum Foundation Program Aid, who have been placed in 17 approved residential treatment facilities as defined by the ADE, Division of 18 Special Education, up to an amount equal to the product of the regular ADM 19 count plus an add-on weight of three and one-tenth (3.1) for residential 20 placement, and the state base equalization rate;

(6) Funds shall also be set aside to pay for the educational costs of children with disabilities, including those in school districts not qualifying for any Minimum Foundation Program Aid, who have been placed in approved residential treatment facilities, as defined by the Arkansas Department of Education, Division of Special Education, up to an amount equal to the product of the regular ADM count plus an add-on weight of three and one-tenth (3.1), and the state base equalization rate, regardless of the setting in which the education is provided. An add-on weight of three and one-tenth (3.1) is to be used if the student must receive his or her educational program in a special residential school. An add-on weight of two and thirty-five hundredths (2.35) is to be used if the student must receive his education in a special day school and the state base equalization rate. Educational costs funded under this subsection are specifically covered by 6-20-316(b)."

34 (k) Arkansas Code Annotated § 6-20-316 is hereby amended to read as 35 follows:

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1 "6-20-316. Allocation and administration of funds - Aid to handicapped.
2 (a) The Special Education Section of the Department of Education shall
3 require that each district qualifying for aid for children with disabilities
4 present a projected budget of expenditures each year for programs for children
5 with disabilities that will ensure the proper allocation of both state and
6 local moneys for expenditures for this purpose.

7 (b) One hundred percent (100%) of state funds generated by add-on 8 weighting for children with disabilities in each district and that amount of 9 other state and local resources per child multiplied by the number of children 10 with disabilities shall be allocated and expended as required to meet the 11 excess cost provisions of federal law.

12 (c) The proposed budget of expenditures form prepared by the Special 13 Education Section of the Department of Education for this purpose shall 14 include space for information concerning the expenditure of all federal moneys 15 that might be received by the district for education of children with 16 disabilities.

17 (d) The Finance Section of the Department of Education, General
18 Division, shall disburse moneys from the Public School fund to those school
19 districts qualifying for state aid for education of children with
20 disabilities.

(e) The Special Education Section shall monitor local programs for the education of children with disabilities and ensure that all necessary records are kept locally for proper identification and classification of children with disabilities in each district.

(f) Each district shall make reports as might be required by the Special Education Section of the Department of Education concerning information or progress of their educational program for children with disabilities.

(g) No later than April 10 of each year, each district shall report the average daily membership of all qualifying children with disabilities to the Special Education Section of the Department of Education, General Division, by classification as determined in 6-20-302(2), with such attendance reflecting the first three (3) quarters of the current school year.

(h) The Special Education Section will then compute the add-on weightsfor each school district and make this information available to the Department

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1 of Education, General Division, no later than April 25 of each year.

2 (i) The evaluation file of each student classified as a child with 3 disabilities shall be subject to monitoring by officials of the Department of 4 Education to ensure that the child is classified in the proper category for 5 weighting.

6 (j) The Arkansas Department of Education may issue a waiver allowing 7 the use of a limited amount of special education funds, generated under 8 Minimum Foundation Program Aid for students not diagnosed as seriously 9 emotionally disturbed under special education regulations, but who have been 10 properly diagnosed as emotionally disturbed, who receive or need to receive 11 services in an approved school-based day treatment program. Any such waivers 12 shall be granted only in accordance with regulations established by the 13 department. Such students shall not be eligible to be counted for generation 14 of Minimum Foundation Program Aid under special education weighting. Such 15 students shall not be eligible for funds under the Education of the 16 Handicapped Act, as amended, 20 U.S.C. 1400 et seq.

(k) Set-aside funds for the educational costs of children with disabilities placed in approved residential treatment facilities located outside the boundaries of the State of Arkansas may be used to fund the excess cost of such placement incurred by a school district. The excess cost to the district will be that amount remaining after the district has paid the funds available under the set-aside funds at the rate of four and one-tenth (4.1) times the state base equalization rate plus an amount equal to the greater of nine (9) times the state base equalization rate or fifty percent (50%) of the balance after the district applies the four and one-tenth (4.1) times the state base equalization rate to the total costs."

27 (1) Arkansas Code Annotated § 6-20-403 is hereby amended to read as28 follows:

29 "6-20-403. Authority to draw warrants - Countersignature. The school 30 district board of directors is authorized to draw warrants on the county 31 treasurer for all funds to be disbursed by them, such warrants to be 32 countersigned by the agent authorized by the county school board, as 33 countersignature is expressly required by law."

34 (m) Arkansas Code Annotated §§ 6-20-405 and 6-20-406 are hereby35 repealed.

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(n) Arkansas Code Annotated § 6-20-501 is hereby amended to read as
 2 follows:

3 "6-20-501. Legislative determination. The General Assembly recognizes 4 that:

5 (1) Under present laws and practices, school students of this state 6 may, for various reasons and purposes, be transferred or assigned to attend 7 school in another district;

8 (2) In many such instances, the respective school districts involved 9 here have entered into agreements with respect to the financial rights and 10 responsibilities of the respective school districts involved in student 11 transfer and assignment and have made provision for the sharing in the cost of 12 the education of the child mutually acceptable to both districts;

(3) In many instances involving a child living in a foster home or children with disabilities, as defined in this subchapter, the foster child or child with disabilities or his parents, guardian, or some other person having custody of the child or standing in the relationship of loco parentis to the rchild, enters or seeks to enter a school district other than the school district in which the parents of the child reside and that gross inequities are worked upon the school district receiving the child if the district is unable to receive the state, local, and federal funds available to the sending district for the education of the child; and

(4) Fairness and equity demand that appropriate rules and regulations be adopted to define the relative rights and responsibilities of the involved school districts to share the educational funds received by a sending district to educate a child with disabilities or a child living in a foster home who attends school in another school district in this state if it is determined that it is in the best interest of the education of the child with disabilities to attend school in the receiving district, so long as attendance therein is not based upon racial or other reasons which are contrary to applicable federal or state laws and regulations."

31 (o) Arkansas Code Annotated § 6-20-502 is hereby amended to read as 32 follows:

33 "6-20-502. Definitions. As used in this subchapter, unless the context 34 otherwise requires:

35 (1) _Child with Disabilities_ or _student with disabilities_ means a

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1 person eligible to attend the public schools in this state who is identified 2 as disabled in accordance with regulations promulgated by the State Board of 3 Education under 6-41-201 et seq.;

4 (2) _Child living in a foster home_ means a school-age child in this 5 state living in the residence of the guardian or the residence of a foster 6 family home or child care facility where the Department of Human Services has 7 custody of the child or where the child has been placed in a foster family 8 home or child care facility by a juvenile or chancery court, or where the 9 child has been placed in a family care and training home by the Department of 10 Human Services. _Child care facility_ shall not include any unit of the human 11 development centers operated by the Department of Human Services or its 12 successor;

(3) _State funds_ means any state funds received by the school district
in the form of Minimum Foundation Program Aid, Transportation Aid, Aid to
Children with Disabilities, or other state special education funds;

16 (4) _Local operating funds_ means any local operating funds derived 17 from property taxes for the school year, including any surplus funds received 18 from millage pledged for indebtedness purposes but which are not necessary to 19 meet debt service requirements and are transferred to the operating account of 20 the school district for the year;

(5) _Federal funds_ means any federal funds received by the school district which are of a category or nature that would have benefited a child with disabilities or a child living in a foster home, as defined in this subchapter, if the child attended the school district during the school year or the portion of the school year, but who instead attended another school district in this state which makes application for funds to be used in behalf of the education of the child, as provided in this subchapter;

(6) _Sending district_ means the school district which is defined by
29 laws or regulations as being the school district of residence of the school30 age child;

31 (7) _Receiving district_ means a school district in this state in which 32 a child attends or seeks to attend school other than the school district or 33 residence of the child."

34 (p) Arkansas Code Annotated § 6-20-503 is hereby amended to read as 35 follows:

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1 "6-20-503. Rules and regulations. The State Board of Education shall 2 adopt reasonable rules and regulations for the administration and enforcement 3 of the provisions of this subchapter and to carry out the purposes and intent 4 of this subchapter that reasonable procedures be established to assure that 5 funds provided for the education of a child living in a foster home and of 6 children with disabilities, as defined in this subchapter, in this state shall 7 be equitably and fairly shared by the school districts having the lawful 8 responsibility for the education of such children in this state, as defined in 9 this subchapter."

10 (q) Arkansas Code Annotated § 6-20-504(b) is hereby amended to read as 11 follows:

"(b) (1) In those instances in which a child living in a foster home attends a public school in a school district in which the foster family home or child care facility is located but, during the previous school year, sattended another school district in this state which, due to the average daily attendance of that child during the previous school year, receives Minimum Foundation Program Aid and other state aid and federal funds for or in behalf of the education of such child during the current school year, the school district in which the foster child is a student may make application to the other school district receiving state and federal funds for the education of the child to remit the pro rata part of such state, federal, and local funds available for the education of the child, including special education funds if the foster child is a child with disabilities, to the school district in which the foster child is now a student.

25 (2) Application shall be in writing and shall state the name of 26 the child, the fact that the child is in a foster home in the school district, 27 and request payment to such district of the state, federal, and local funds, 28 including special education funds, if the foster child is a child with 29 disabilities as defined in this subchapter, available for the education of the 30 child for the current school year due to the attendance of the child at the 31 school during the previous year.

32 (3) If the school district to which the request is made fails or 33 refuses to pay the requested funds to the requesting school district within 34 thirty (30) days after receiving the request, the requesting school district 35 may notify the Department of Education of the fact, and the Department of

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Education shall investigate the facts of the request and refusal to remit
 payment.

3 (4) If the Department of Education determines that the funds 4 requested were due the requesting school district as provided in this section, 5 the Department of Education shall notify the school districts involved of the 6 determination and shall withhold the amount thereof from the next state aid 7 funds available for distribution to the school district which failed or 8 refused to remit the funds as provided in this subchapter and shall pay the 9 amount over to the requesting school district as provided in this section, to 10 be used for the education of the child living in a foster home who is a 11 student in the school district during the current school year."

12 (r) Arkansas Code Annotated § 6-20-505 is hereby amended to read as 13 follows:

14 "6-20-505. Handicapped children - Receiving district's request for 15 funds.

(a) Whenever any child with disabilities attends or seeks to attend a rschool district other than the school district in which his lawful parents, guardian, or other person in loco parentis to the child resides, the receiving district may make application to the sending district requesting that all state, federal, local or other funds received by the sending district in behalf of the education of the child for the school year or portion of the school year the child attends school in the receiving district be remitted by the sending district to the receiving district.

(b) Before requesting such funds, the requesting district shall havemade a determination that:

(1) The child is a child with disabilities as defined in this
27 subchapter and the applicable rules and regulations promulgated by the State
28 Board of Education, as provided in this subchapter;

(2) the attendance of the child with disabilities in the school
district is in the best interest of the education of the disabled child;
(3) The receiving district has accepted or is willing to accept
the child with disabilities as a student; and

(4) The request for attendance at the receiving district is not
 based upon any racial or other reason which might be contrary to the laws and
 regulations of the United States or of this state or the rules and regulations

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promulgated by the State Board of Education under the provisions of this
 subchapter.

3 (c) The request for funds from the sending district shall be prepared 4 by the receiving district in writing, setting forth the name of the child; the 5 name and address of the parents, guardian, or other person lawfully 6 responsible for the child; a statement of reasons why the child is in 7 attendance or seeks to attend the receiving district instead of the district 8 in which the child should be in attendance; and that the receiving district 9 has determined it is in the best interest of the education of the child with 10 disabilities that the child be permitted to attend school in the receiving 11 district."

12 (s) Arkansas Code Annotated § 6-20-506(c) is hereby amended to read as 13 follows:

"(c) The amount of local funds to be remitted shall not exceed the pro rata amount per child of local operating funds as defined in this subchapter which are received by the school district from the sending district for property taxes for the school year, as these funds relate to the total number of school-age children in average daily attendance in the school district for the school year; and the amount of federal funds to be remitted shall be the pro rata amount per child of federal funds as defined in this subchapter which are received for the category of all students eligible to receive federal funds who are within the same classification or category of the child with disabilities for which payment is sought."

24 (t) Arkansas Code Annotated 6-20-507(b) is hereby amended to read as 25 follows:

26 "(b)(1) The hearing officer may recommend approval of the request to 27 the State Board of Education if the hearing officer determines that:

28 (A) The application is made by or in behalf of a child with29 disabilities as defined in this subchapter;

30 (B) It is in the best interest of the education of the 31 child to be admitted to or to continue to attend school in the receiving 32 district;

33 (C) The child's educational needs can be better served in34 the receiving district; and

35 (D) The request for attendance at the receiving district is

not based upon any racial or other reason which might be contrary to the laws
 and regulations of the United States or of this state or the rules and
 regulations promulgated by the State Board of Education under the provisions
 of this subchapter.

5 (2) Any district aggrieved by the report and recommendations of 6 the hearing officer may appeal to the State Board of Education within thirty 7 (30) days after the date of the ruling of the hearing officer."

8 (u) Arkansas Code Annotated § 6-20-508(a) is hereby amended to read as 9 follows:

"(a)(1) If a hearing by the State Board of Education is requested in writing by either or both of the affected school districts or any party to the action, at least ten (10) days prior to the next regular board meeting, the State Board of Education shall schedule a hearing in regard thereto and shall give each of the affected districts and the affected parties at least five (5) bays' notice of the date, time, and place of the hearing.

16 (2) On the day and at the time scheduled for the hearing, the 17 board may hear all interested parties and, upon conclusion thereof, may issue 18 its ruling in regard to the application for payment of funds in behalf of the 19 child with disabilities, and, unless an appeal is filed therefrom with a court 20 of competent jurisdiction within twenty (20) days after the date of such 21 ruling, the ruling shall be final and shall be binding on the school districts 22 and the parties affected."

23 (v) Arkansas Code Annotated § 6-20-509 is hereby amended to read as 24 follows:

25 "6-20-509. Handicapped children - Sending district's refusal to pay. 26 If the ruling of the State Board of Education provides for payment to be 27 made by the sending district in behalf of the education of the child in the 28 receiving district and the sending district shall refuse to make payments in 29 the amount approved by the board, upon certification thereof by the receiving 30 district, the State Board of Education shall cause the amount of any state, 31 federal, local, or other funds not remitted to the receiving district to be 32 withheld from the next Minimum Foundation Program Aid, Transportation Aid, Aid 33 to Children with Disabilities, or special education funds to the district 34 which has failed to make payments and shall remit the funds to the receiving 35 district in compensation for payments not made by the sending district."

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(w) Arkansas Code Annotated § 6-20-510 is hereby amended to read as
 2 follows:

3 "6-20-510. Confidentiality of records. All files and records which are 4 required by the laws of this state or under the provision of applicable 5 federal laws or regulations to be kept confidential and all court orders 6 pertaining to the confidentiality of records or prohibiting or limiting the 7 disclosure thereof pertaining to a child living in a foster home or a child 8 with disabilities under the provisions of this subchapter shall be strictly 9 complied with by the respective school districts and the Department of 10 Education in all correspondence and transactions pertaining to administration 11 of the provisions of this subchapter."

12 (x) Arkansas Code Annotated §6-20-1213 is hereby amended to read as 13 follows:

"6-20-1213. Duty to pay on maturity - Effect of failure.

15 (a) The school district board of directors, the secretary of the board, 16 and the county board or the board's designee shall see to it that sufficient 17 funds to meet each maturity of principal and interest of all bonds of their 18 district are in the place of payment not later than the day before the date of 19 maturity.

(b) Any failure thereof shall be cause for the State Board of Education 21 to withhold the monthly salary of the county board's designee and to withhold 22 any apportionment of school funds that would otherwise be apportioned to that 23 district and apply them on any past due bonds of that district."

(y) Arkansas Code Annotated §§ 6-20-1403 through 6-20-1405 and 6-201408 are hereby repealed.

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27 SECTION 14. (a) Arkansas Code Annotated 6-41-101(a) is hereby amended 28 to read as follows:

29 "(a) Prior to expending any funding for new programs to children with 30 disabilities which include funding for evaluation, counseling, assessment, 31 personnel, equipment, or other capital outlay in other than public schools, 32 the Division of Vocational and Technical Education of the Department of 33 Education shall publish a public notice of the intent to provide additional 34 special services to the disabled, specifying the services in the public 35 notice, and inviting organizations that are recognized by the state to provide

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1 education, assessment, jobs skills training, or vocational education to
2 children with disabilities to submit proposals to provide the additional
3 special services."

4 (b) Arkansas Code Annotated § 6-41-102 is hereby amended to read as 5 follows:

6 "6-41-102. Extended year program. The extended year program for 7 school-age children with disabilities shall be established and implemented by 8 school districts as established by the individual education plan of the child 9 during the summer at the close of each school year."

10 (c) Arkansas Code Annotated § 6-41-201 is hereby amended to read as 11 follows:

12 "6-41-201. Title. This subchapter shall be known as _The ChildrenWith 13 Disabilities Act of 1973._"

14 (d) Arkansas Code Annotated § 6-41-202 is hereby amended to read as 15 follows:

16 "6-41-202. Policy and purposes.

(a) It shall be the policy of this state to provide and to require school districts to provide, as an integral part of the public schools, a free appropriate public education (FAPE) for students with disabilities. The State Board of Education is therefore expressly authorized to assign responsibility for providing free appropriate public education of any child with a disability to an appropriate school district.

(b) (1) One of the purposes of this subchapter is to cooperate in any reasonable way with programs now in operation for children with disabilities in any state institution or treatment facility.

26 (2) It shall be a primary purpose of this subchapter to cooperate 27 fully with the institutions and treatment facilities to the end that the best 28 interests of children with disabilities shall be served."

29 (e) Arkansas Code Annotated § 6-41-203 is hereby amended to read as30 follows:

31 "6-41-203. Definitions. As used in this subchapter, unless the context 32 otherwise requires:

(1) _A child with disabilities_ means a person between the ages of
three (3) and twenty-one (21) years who, because of mental, physical,
emotional, or learning disabilities, requires special education services as

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1 defined by the federal Individuals with Disabilities Education Act of 1990. 2 This term is to be specifically interpreted to mean but not be wholly limited 3 to children with mental retardation, hearing impairments, speech impairments, 4 visual impairments, emotional disturbances, physical impairments, specific 5 learning disabilities, or children with other health impairments who by reason 6 thereof require special education and related services.

7 (2) Special education means classroom, home, hospital, or other 8 instruction to meet the needs of children with disabilities and includes 9 transportation and corrective and supporting services required to assist 10 children with disabilities in taking advantage of or responding to educational 11 programs and opportunities, but excludes instruction provided in the 12 state-operated schools or institutions for the disabled;

13

Board means the State Board of Education." (3)

14 (f) Arkansas Code Annotated § 6-41-204 is hereby amended to read as 15 follows:

16

"6-41-204. Separate schooling.

(a) (1) To the maximum extent practicable, children with disabilities 17 18 shall be educated along with children who do not have disabilities and shall 19 attend regular classes.

20 Impediments to learning and to the normal functioning of (2) 21 children with disabilities in the regular school environment shall be 22 overcome, when possible, by the provision of special aids and services rather 23 than by separate schooling for children with disabilities.

Separate schooling or other removal of children with disabilities 24 (b) 25 from the regular educational environment shall occur only when, and to the 26 extent that, the nature or severity of the disability is such that education 27 in regular classes, even with the use of supplementary aids and services, 28 cannot be accomplished satisfactorily."

(g) Arkansas Code Annotated § 6-41-205 is hereby amended to read as 29 30 follows:

31

"6-41-205. Provision for education.

(a) The State Board of Education shall provide or cause to be provided 32 33 by school districts, or in some cases by other departments of state 34 government, institutions, or through private facilities, all regular and 35 special education, corrective, and supporting services required by children

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with disabilities to the end that they shall receive the benefits of a free
 public education appropriate to their needs.

3 (b) Programs and services may be provided under this subchapter for 4 children below school age who have serious disabling conditions which, if 5 untreated, could become greatly compounded by school age."

6 (h) Arkansas Code Annotated § 6-41-206(a) is hereby amended to read as 7 follows:

8 "(a)(1) The responsibility of school districts and the state to provide 9 free public education for children with disabilities is not diminished by the 10 availability of private schools and services.

11 (2) Whenever private schools and services are utilized, it 12 continues to be the responsibility of the appropriate local school district 13 and the State Board of Education to assure an appropriate quantity and quality 14 of instructional and related services, to assure the protection of all other 15 rights, and to ascertain that all children with disabilities receive the 16 educational and related services and rights to which the law of this state 17 entitles them."

18 (i) Arkansas Code Annotated § 6-41-207 is hereby amended to read as19 follows:

20 "6-41-207. Board's duties.

(a) The board is empowered to initiate, inspect, approve, and supervise
a program of education for children with disabilities as defined in this
subchapter.

(b) It is also designated as the agency for cooperation with the state and federal government, the approved treatment centers, institutions, and the local schools in carrying out the provisions of this subchapter.

(c) The board shall make the necessary rules and regulations in keeping
with the provisions of this subchapter and shall employ the necessary
personnel for the proper administration of this subchapter if funds are made
available for this purpose.

(d) The board shall have authority to require reports as it deems
advisable so long as the requirements are in keeping with this subchapter.
(e) The board, in compliance with federal enforcement requirements, is
authorized to disallow the generation of all state aid to children with
disabilities to any local school district or education service cooperative

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which fails to comply with state and federal regulations as determined by
 independent hearing officers, agency hearing decisions, agency complaint
 investigation decisions, agency compliance monitoring reports, or agency
 jurisdictional decisions. The board is authorized to set aside funds
 disallowed under this subsection and to utilize such funds for the provision
 of a FAPE to appropriate children with disabilities.

7 (f) The board, in keeping with federal requirements, is designated as 8 the agency having general education supervision over public agencies which 9 provide educational services to children with disabilities as defined in this 10 subchapter to ensure that each public agency complies with state and federal 11 regulations pursuant to the education of children with disabilities."

12 (j) Arkansas Code Annotated § 6-41-209 is hereby amended to read as 13 follows:

14 "6-41-209. Cooperation among state agencies. The State Board of 15 Education is granted authority and is directed to cooperate with the 16 Department of Human Services and with available treatment institutions and 17 qualified individuals in order to provide diagnostic services to children with 18 disabilities in need of such services."

19 (k) Arkansas Code Annotated § 6-41-210 is hereby amended to read as 20 follows:

21 "6-41-210. Section for Education of Exceptional Children.

(a) There is established in the Department of Education a SpecialEducation Section.

(b) The section shall be headed by an associate director who shall be qualified by education, training, and experience to take responsibility for, and give direction to, the programs of the Department of Education relating to rhildren with disabilities.

(c) Implementation of this section shall be dependent upon funds beingmade available to the Department of Education for this purpose."

30 (1) Arkansas Code Annotated § 6-41-211 is hereby amended to read as 31 follows:

32 "6-41-211. Advisory council.

(a) (1) There shall be an Advisory Council for the Education of Children
with Disabilities which shall advise and consult with the Director of the
General Education Division of the Department of Education and the Associate

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Director of the Special Education Section and which shall engage in such other
 activities as are set forth in this section.

3 (2) The advisory council shall be advisory only and shall have no 4 administrative responsibility or authority.

5 (b)(1) The advisory council shall be composed of nine (9) members who 6 are not officers or employees of state agencies, and no more than four (4) of 7 whom may be officers or employees of local school districts.

8 (2) The advisory council shall be composed of persons broadly 9 representative of community organizations interested in children with 10 disabilities, professions related to the educational needs of children with 11 disabilities, and the general public.

12 (c)(1) The Director of the General Education Division of the Department 13 of Education shall appoint the members of the advisory council for three-year 14 terms.

15 (2) Appointees may be eligible for reappointment for one (1)16 term.

17 (d) Vacancies which leave unexpired terms shall be filled in the 18 regular manner for the unexpired period of time, and vacancies as a result of 19 expiration of terms shall be filled in the regular manner for three-year 20 periods.

(e) The advisory council annually shall elect its own chairman andvice-chairman.

(f) The Associate Director of the Special Education Section of the Department of Education shall meet with and act as secretary to the advisory council and, within available personnel, facilities, and appropriations, shall furnish meeting facilities and staff services for the advisory council.

27

(g) The advisory council shall:

28 (1) Have an opportunity to comment on rules and regulations29 proposed for issuance pursuant to this subchapter;

30 (2) Consider any problems presented to it by the Director of the
31 General Education Division of the Department of Education or the Associate
32 Director of Special Education Section of the Department of Education and give
33 advice thereon;

34 (3) Review required state plans prepared by the Special Education35 Section prior to their submission to duly constituted authorities;

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1 (4) Make an annual report to the Governor, the General Assembly, 2 the State Board of Education, and the Director of the General Education 3 Division of the Department of Education. (A) The report shall be made available to the news media in 4 5 order that the general public may be advised with reference to the thinking of 6 the advisory council regarding education for children with disabilities. (B) Funds for the publication of the annual report of the 7 8 advisory council shall be made available by the State Board of Education from 9 its regular appropriations. Available federal or state funds may be used for 10 this purpose." 11 (m) Arkansas Code Annotated § 6-41-212 is hereby amended to read as 12 follows: "6-41-212. Facilities. 13 Physical aspects and specifications for buildings, classrooms, and 14 (a) 15 other facilities for, or likely to be used by, children with disabilities 16 shall be approved by the State Board of Education. 17 (b) The State Board of Education is required to review plans for public 18 school construction or remodeling which is designed for children with 19 disabilities to insure accessibility and usefulness for that purpose." 20 (n) Arkansas Code Annotated § 6-41-215(a) is hereby amended to read as 21 follows: 22 "(a) Every school district shall test and examine, or cause to be 23 tested and examined, each child it believes has disabilities." 24 Arkansas Code Annotated § 6-41-217(a) is hereby amended to read as (o) 25 follows: 26 "(a) Before any action is taken with respect to the initial placement 27 of a child with disabilities in a special education program, a full and individual evaluation of the child's educational needs must be conducted." 28 (p) Arkansas Code Annotated § 6-41-217(b)(2) is hereby amended to read 29 30 as follows: 31 "(2) The term individual education plan means a written statement for 32 each child with disabilities developed in any meeting by a representative of 33 the local educational agency or an intermediate educational unit who shall be 34 qualified to provide, or supervise the provision of, specially designed 35 instruction to meet the unique needs of children with disabilities, the

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1 teacher, the parents or quardian of the child, and, whenever appropriate, the 2 child."

3 (q) Arkansas Code Annotated § 6-41-218(a) is hereby amended to read as 4 follows:

"(a) Every public school district shall make and keep current a list of 5 6 all children with disabilities tested and examined."

7 (r) Arkansas Code Annotated § 6-41-220 is hereby amended to read as 8 follows:

9

"6-41-220. Equality in expenditure.

(a) (1) It is the responsibility of school districts to expend effort on 10 11 behalf of the education of each child with disabilities equal to the effort 12 expended on account of the education of each child who does not have a 13 disability.

14 (2) Any additional effort necessary to provide supplemental aids 15 and services shall be the ultimate responsibility of the state but shall, to 16 the maximum extent practicable, be the responsibility of the local school 17 districts.

(b) For purposes of determining the responsibility for expenditure of 18 19 equal effort, the residence of a child with disabilities shall be deemed to be 20 the school district in which the parent or legal guardian of the child 21 resides. In the case of a child with disabilities whose parents do not reside 22 in the same school district, the residence of the child shall be the district 23 in which the parent having legal custody of the child resides.

(c)(1) Two (2) or more school districts may join together to establish 24 25 special classes for children with disabilities.

(2) In such event, one (1) district shall be designated as the 26 27 controlling agent and all reimbursement for the education of children with 28 disabilities from the board shall be made to this district.

(3) Local revenues or tuition from other districts participating 29 30 in the cooperative will be paid to the controlling district on an accepted 31 prorated formula per child."

(s) Arkansas Code Annotated § 6-41-221 is hereby amended to read as 32 33 follows:

"6-41-221. Receipt and disbursement of federal funds. 34 (a) (1) The board is designated as the state agency to receive and 35

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disburse federal funds designed to improve educational opportunities provided
 for children with disabilities as defined in this subchapter.

3 (2) The funds shall not include moneys appropriated by the 4 Congress which are designated specifically for use by other agencies, 5 institutions, or treatment facilities for children with disabilities.

6 (b) The specific intention of this section is to provide that the board 7 is designated as the state agency to receive and disburse federal and state 8 funds made available to this state for education of children with 9 disabilities, except as specifically provided for otherwise by the Congress of 10 the United States or the General Assembly, and no other interpretation shall 11 be given to it.

12 (c)(1) It is declared to be the intent of the General Assembly that of 13 the state funds allocated and appropriated to the State Board of Education for 14 children with disabilities, the State Board of Education is authorized to 15 spend no more than two percent (2%) of the funds or appropriations, or both, 16 for program costs necessary at the state level to implement the intent of this 17 subchapter.

(2) The costs may include, but are not necessarily limited to,
the programs or services benefiting children with disabilities such as
consultative services, workshop expenses, institutional materials, council
expenses, in-service programs, scholarships for teachers of children with
disabilities and testing programs.

23 (d) The State Board of Education shall develop such plans and 24 procedures as may be required in order to receive and disburse federal funds 25 for children with disabilities."

26 (t) Arkansas Code Annotated § 6-41-223 is hereby amended to read as 27 follows:

28 "6-41-223. Reports. Each school district shall report annually to the 29 State Board of Education at a prescribed due date the extent to which it is at 30 that time providing for the special education for children with disabilities 31 necessary to implement the policy of this subchapter."

32

33 SECTION 15. Arkansas Code Annotated §§ 6-41-401 through 6-41-407 are34 hereby repealed.

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SECTION 16. (a) Arkansas Code Annotated § 6-43-101(c) is hereby
 amended to read as follows:

3 "(c)(1) Members of the board appointed by the governor under the 4 provisions of this section, in addition to possessing the qualifications of an 5 elector, shall reside in the State of Arkansas.

6 (2)(A) The Governor, Attorney General, Secretary of State, State 7 Auditor, State Treasurer, Commissioner of State Lands, Justices of the Supreme 8 Court, and the directing head of any state department, state agency, or state 9 institution shall be ineligible for membership on the board provided for in 10 this section during the time for which he was elected or appointed.

(B) No individual may be a member of more than one (1) of the boards created under the provisions of this section and 25-17-201 at the same time."

14 (3) There shall be at all times one (1) member of the board who 15 is a deaf person who fluently utilizes deaf sign language.

16 (b) Arkansas Code Annotated § 6-43-105(f) is hereby amended to read as 17 follows:

18 "(f) It shall be the duty of county school boards or the boards' 19 designees, school attendance officers, prosecuting attorneys, and any special 20 attendance officers appointed by the schools for the deaf and blind, as well 21 as all peace officers, to enforce the provisions of this section."

(c) Arkansas Code Annotated § 6-43-201 is hereby amended to read asfollows:

24 "6-43-201. Board of trustees - Eligibility. The superintendent,
25 general business manager, and teachers of the school shall not be eligible for
26 the office of trustee for the school."

27 (d) Arkansas Code Annotated § 6-43-209 is hereby amended to read as28 follows:

29 "6-43-209. Steward.

30 (a) The general business manager, before entering upon the duties of 31 his office, shall give bond to the state in penalty and with surety, to be 32 approved by the trustees, conditioned for the faithful performance of his 33 official duties. The bond is to be filed in the office of the Auditor of 34 State.

35 (b) The general business manager shall discharge his various duties

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1 under the direction of the superintendent, who shall examine all statements
2 prepared by the general business manager, whether for past or contemplated
3 expenditures, and the trustees shall receive no statement of expenditures from
4 the general business manager unless the approval of the superintendent is
5 endorsed thereon."

6 (e) Arkansas Code Annotated § 6-43-211 is hereby amended to read as 7 follows:

8 "6-43-211. Qualifications of teachers. No teacher shall be employed in 9 the school unless the teacher holds a current teacher's license issued by the 10 State Board of Education."

11 (f) Arkansas Code Annotated § 6-43-214 is hereby amended to read as 12 follows:

13 "6-43-214. Admissions.

(a) All blind persons of suitable character and capacity between the
ages of three (3) and twenty-one (21) years, residing in the state, shall be
entitled to the benefits of the school free of charge.

(b) Pupils from outside the state may be admitted to the privileges of the institution upon the payment of such sums as the board may consider sufficient to defray expenses.

20 (c) If, in the opinion of the board of trustees, any blind person above 21 the age of twenty-one (21) years may be benefited by being received into the 22 institution for a limited time to learn a trade or receive instruction, they 23 may, by unanimous vote, and approval of the superintendent, admit such 24 person."

25 (g) Arkansas Code Annotated § 6-43-222(b) is hereby amended to read as 26 follows:

"(b)(1) The general business manager shall report to the board of trustees a detailed statement, under oath, of all the expenditures he may have made for the preceding three (3) months, to whom made, and for what purpose, to the truth of which he shall take and subscribe an oath.

31 (2) The report shall be accompanied with proper vouchers."
32 (h) Arkansas Code Annotated § 6-43-305 is hereby amended to read as
33 follows:

34 "6-43-305. Teachers generally.

35 (a) The School for the Deaf is hereby authorized to pay employees hired

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1 in the position of teacher for the sensory impaired for the yearly school term
 2 the maximum annual salary rate established for each position.
 2
         (b) Teachers for the sensory impaired shall be eligible for an
 4 additional step increase after being certified in teaching the vision or
 5 hearing impaired by the State Department of Education."
 6
         (i) Arkansas Code Annotate § 6-43-307 is hereby amended to read as
 7 follows:
         "6-43-307. Limitations on salary increases. The salary of any person
 8
 9 connected with this school shall be as determined by law."
         (j) Arkansas Code Annotated §§ 6-43-312 through 6-43-314 are hereby
10
11 repealed.
12
         SECTION 17. Arkansas Code Annotated §§ 6-50-401 through 6-50-407 are
13
14 hereby repealed.
15
16
         SECTION 18. All provisions of this act of a general and permanent
17 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
18 Code Revision Commission shall incorporate the same in the Code.
19
20
         SECTION 19. If any provision of this act or the application thereof to
21 any person or circumstance is held invalid, such invalidity shall not affect
22 other provisions or applications of the act which can be given effect without
23 the invalid provision or application, and to this end the provisions of this
24 act are declared to be severable.
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         SECTION 20. All laws and parts of laws in conflict with this act are
27 hereby repealed.
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                            /s/Edward F. Thicksten, et al
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