Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

| 1 2 | State of Arkansas 84th General Assembly | A Bill | | |
|----------|---|------------------------------------|-----------------------|--|
| 3 | Regular Session, 2003 | | HOUSE BILL 1539 | |
| 4 | Regular Session, 2005 | | HOUSE DIEL 1937 | |
| 5 | By: Representative Mahony | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | For An Act To Be Entitled | | | |
| 9 | AN ACT TO PROHIBIT LOCAL SCHOOL BOARDS OF | | | |
| 10 | EDUCATION FROM ENTERING INTO CONTRACTS, EXCEPT | | | |
| 11 | UNDER CERTAIN CONDITIONS, UNTIL JULY 1, 2004; AND | | | |
| 12 | FOR OTHE | ER PURPOSES. | | |
| 13 | | | | |
| 14 | | Subtitle | | |
| 15 | AN AC | CT TO PROHIBIT LOCAL SCHOOL BOARDS | | |
| 16 | OF EL | DUCATION FROM ENTERING INTO | | |
| 17 | CONTE | RACTS, EXCEPT UNDER CERTAIN | | |
| 18 | CONDITIONS, UNTIL JULY 1, 2004; AND FOR | | | |
| 19 | OTHER | R PURPOSES. | | |
| 20 | | | | |
| 21 | | | | |
| 22 23 | BE IT ENACTED BY THE G | ENERAL ASSEMBLY OF THE STATE OF AN | RKANSAS: | |
| 24 | SECTION 1. Arka | nsas Code § 6-13-620 is amended to | o read as follows: | |
| 25 | 6-13-620. Power | s and duties. | | |
| 26 | <u>(a)</u> The Except | as prohibited under subsections (h | o) and (c) of this | |
| 27 | <u>section, the</u> board of | directors of each school district | in the state shall be | |
| 28 | charged with the follo | wing powers and perform the follow | wing duties: | |
| 29 | (1) Have | the care and custody of the school | lhouse, grounds, and | |
| 30 | other property belongi | ng to the district and shall keep | it in good repair and | |
| 31 | in sanitary and sightl | y condition; | | |
| 32 | (2) Lease | sixteenth section lands located i | in the school | |
| 33 | district, individually or in conjunction with the other boards of directors | | | |
| 34 | of other school distri | cts interested in the sixteenth se | ection, as the case | |
| 35 | may be; | | | |
| 36 | (3) Purch | ase buildings or rent schoolhouses | s and sites therefor | |



1 and sell, rent, or exchange the sites or schoolhouses; 2 (4)(A) Employ teachers and other employees necessary for the 3 proper conduct of the public schools of the district and make written 4 contracts with teachers and all other employees in the form prescribed by the 5 State Board of Education. 6 There shall be four (4) copies of each contract made: (B) 7 (i) One (1) copy to be retained by the board; 8 (ii) One (1) copy to be given to the employee; 9 (iii) One (1) copy to be forwarded to the county 10 treasurer if the county treasurer serves as treasurer for the school 11 district; and 12 (iv) One (1) copy to be filed with the county clerk. 13 The issuing of annual contracts to personnel other (C) 14 than substitute teachers employed on a daily basis and teachers shall be in 15 writing and shall recite the duration of employment, specific duties, and 16 annual salary; 17 (5) See that all subjects for study prescribed by the state 18 board or by law for all grades of schools in their district are taught; 19 (6) Visit classrooms frequently, but no less than annually, in the schools in their district while children are present, see to the welfare 20 21 of the pupils, encourage them in their studies, and assist the teachers in 22 the work so far as they can; 23 (7) Prepare and publish the district's budget for the ensuing 24 year, in accordance with § 6-13-622; 25 (8) Issue warrants on the county treasurer, when the county 26 treasurer serves as treasurer of the school district, in accordance with the 27 provisions of this act for the payment of salaries due teachers and other 28 employees and for any other lawful purposes and state in the warrants the 29 consideration for which each is drawn, provided that the issuance of the 30 warrants for the purposes set out in subdivision (10) of this section shall 31 be governed by the penalty therein set out. The warrant shall be in the form 32 approved by the state board; 33 (9) Obtain from the county collector and county treasurer 34 information from time to time as to the state of finances of their school 35 district and keep their expenditures safely within the means of the district; 36 (10) Buy and pay for out of district school funds supplies such

1 as fuel, crayons, charts, globes, dictionaries, etc. which may be necessary 2 for the efficient operation of the schools, provided, no warrants shall be 3 issued by any school board for the payment of the supplies or services set 4 out in this subdivision (10) until the supplies or services shall have been 5 delivered to the school. If any school board or any part of the directors of 6 any school board in the State of Arkansas shall issue warrants in payment of 7 supplies or services prior to the delivery of the supplies or services to the 8 school and if the school district suffers any loss because of the failure of 9 the seller to deliver the supplies or services or because of the defective 10 quality of the supplies or services or for any other reason, then the 11 directors shall be personally liable to the school district for the total 12 amount of loss suffered by the district;

(11)(A) If in any school district it should be apparent that the 13 14 schools cannot be operated for the remainder of the school year without 15 incurring more indebtedness than that represented by outstanding bonds and 16 those that may be issued for buildings, equipment for the school buildings, 17 purchasing sites, and repairing school buildings or the improvement of sites, 18 it shall be the duty of the school district board of directors to close the 19 school and cease paying the teachers for the remainder of that fiscal year. Each contract made with the teachers shall be subject to that contingency, 20 21 and the district shall not be liable for teachers' salaries for the time the 22 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 prohibited in this subdivision (11), he or she
shall be liable personally for the amount of such additional indebtedness.

(C) However, in cases of emergency, the state board may
grant special permission to a district to create temporary current
indebtedness.

30 (D) Nothing herein shall prevent any school district board 31 of directors from borrowing money from banks, from individuals, or from next 32 year's revenue in order to provide funds in such amount that the maximum 33 nonbonded indebtedness of its school district so incurred shall not be 34 greater than the maximum nonbonded indebtedness of the district was at any 35 time during the preceding fiscal year.

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(E) If any nonbonded debt is funded by the issuance of

1 bonds, the amount so funded shall not be considered in determining the 2 maximum amount of nonbonded indebtedness during the preceding fiscal year; 3 (12) Do all other things necessary and lawful for the conduct of 4 efficient free public schools in the district; 5 (13) Publish on the district's web site, if the district has a 6 web site: 7 (A) Minutes of regular and special meetings of the school 8 board; 9 The budget for the ensuing year; (B) 10 (C) Financial breakdown of monthly expenses of the 11 district; 12 (D) Salary schedule for all employees; 13 (E) The school district's yearly audit; and 14 (F) The annual statistical report; and 15 (14) If a district does not have a web site, then on or before 16 July 1, 2003, the district's educational cooperative shall develop a web site 17 for the district, or the cooperative shall enter into an agreement with a 18 local city, county, or other local governmental agency to have the district's 19 information as required in subdivision (13) of this section published on an existing local city, county, or other local governmental agency's web site. 20 21 (b) Beginning on the effective date of this subsection (b) through 22 July 1, 2004, notwithstanding any other provision of law except for currently 23 binding contractual obligations or enforceable court ordered mandates, no 24 school board of directors of any public school district or charter school 25 shall enter into any contractual obligation exceeding five thousand dollars (\$5,000) for the purchase, <u>sale</u>, <u>construction</u>, <u>improvement</u>, <u>repair</u>, <u>or</u> 26 27 equipment for facilities, buildings, or real property sites without the prior 28 written approval of the State Board of Education. 29 (c) Beginning on the effective date of this subsection (c) through 30 July 1, 2004, notwithstanding any other provision of law except for currently binding contractual obligations or enforceable court ordered mandates, no 31 school board of directors of any public school district or charter school 32 33 shall enter into any personal, professional, or other service contract on 34 behalf of the school district for a time period greater than one (1) year 35 without prior written approval of the State Board of Education. 36

1 SECTION 2. Arkansas Code § 6-17-301 is amended to read as follows: 2 6-17-301. Employment of certified personnel. (a) District Except as prohibited under subsections (c) and (d) of 3 this section, school boards may employ superintendents, deputy 4 5 superintendents, assistant superintendents, and high school principals, as 6 well as department heads, coaches, teachers, and other certified personnel, 7 by written contract for a period of time not more than three (3) years. 8 (b) Such contracts may be renewed annually. 9 (c) Beginning on the effective date of this subsection (c) through July 1, 2004, notwithstanding any other provision of law except for currently 10 11 binding contractual obligations or enforceable court ordered mandates, no Arkansas public school district board of directors, or the governing board of 12 13 an educational cooperative or charter school may employ or extend the employment contract of any superintendent, assistant superintendent, school 14 15 principal, department head, coach, teacher, or other certified or non-16 certified personnel for a period of time beyond June 30, 2004 without the 17 prior written approval of the State Board of Education. (d) No employment contract or extension to an employment contract 18 entered into February 1, 2003, may have a combined total increase in 19 20 salaries, income, and benefits of greater than five percent (5%) of the 21 immediate previous existing contract for the same or substantially similar 22 personnel position without the prior written approval of the State Board of 23 Education, except for salary or benefit increases legislatively approved and 24 mandated by the Arkansas General Assembly. 25 26 SECTION 3. Arkansas Code § 6-17-410(e)(2), concerning revocation of a 27 teacher's license, is amended to add an additional subdivision to read as 28 follows: 29 (2) For the purposes of this subsection, "cause" means any of the 30 following: 31 (A) Pleading guilty or nolo contendere to or being found guilty 32 of a felony not listed in subsection (c) of this section; 33 (B) Pleading guilty or nolo contendere to or being found guilty 34 of a nonfelony negligent homicide or a misdemeanor involving physical 35 mistreatment or abuse against a child and not listed in subsection (c) of 36 this section;

1 (C) Holding a license obtained by fraudulent means; 2 (D) Revocation of a license in another state; (E) Intentionally compromising the validity or security of any 3 4 student test or testing program administered by or required by the board or 5 the Department of Education; 6 (F) Having the completed examination test score of any testing 7 program required by the board for teacher licensure declared invalid by the 8 testing program company and so reported to the Department of Education by the 9 testing company; 10 (G) Having an expunged or pardoned conviction for any sexual or 11 physical abuse offense committed against a child; or 12 (H) Failing to establish or maintain the necessary requirements 13 and standards set forth in Arkansas law or board rules and regulations for 14 teacher licensure-; or 15 (I) Having knowingly and intentionally violated the provisions 16 of § 6-17-301(c) and (d), or § 6-20-1201. 17 SECTION 4. Arkansas Code § 6-20-1201 is amended to read as follows: 18 19 6-20-1201. Authority to borrow money and issue negotiable bonds. (a) After July 1, 2004, all All school districts are authorized to 20 21 borrow money and to issue negotiable bonds for the repayment thereof from 22 school funds for the building and equipping of school buildings, for making 23 additions and repairs thereto, for purchasing sites therefor, for purchasing 24 new or used school buses, for refurbishing school buses, for the professional 25 development and training of teachers or other programs authorized under the 26 federally recognized Qualified Zone Academy Bond program codified at 26 27 U.S.C. § 1397E, and for paying off outstanding postdated warrants, 28 installment contracts, revolving loans, and lease-purchase agreements, as 29 provided in this act. 30 (b) No school district shall have the authority to act in accordance with the provisions of subsection (a) of this section from the effective date 31 32 of this subdivision (b) through July 1, 2004. 33 34 SECTION 5. The Arkansas Department of Education shall promulgate rules 35 and regulations to administer Arkansas Code § 6-17-301(c) and (d), § 6-13-620(15) and (16), and § 6-20-1201 including, but not limited to, providing 36

| 1 | necessary State Board of Education approval of local board for action and | | |
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| 2 | expenditures in emergency circumstances. | | |
| 3 | | | |
| 4 | SECTION 6. Title 6, Chapter 24, Subchapter 1 is amended by adding an | | |
| 5 | additional section to read as follows: | | |
| 6 | 6-24-120. Violations. | | |
| 7 | (a) Any board member, administrator, employee or non-employee of a | | |
| 8 | public school district, educational cooperative or charter school who | | |
| 9 | knowingly and intentionally violates the provisions of § 6-17-301(c) or (d), | | |
| 10 | § 6-13-620(15) or (16) or § 6-20-1201 shall be guilty of an unclassified | | |
| 11 | felony. | | |
| 12 | (b) Any board member of a public school district, educational | | |
| 13 | cooperative, or charter school who shall knowingly and intentionally violates | | |
| 14 | the provisions of § 6-17-301(c) or (d), § 6-13-620(15) or (16), or § 6-20- | | |
| 15 | 1201 shall be subject to removal from office under § 6-13-612. | | |
| 16 | | | |
| 17 | SECTION 7. EMERGENCY CLAUSE. It is found and determined by the | | |
| 18 | General Assembly of the State of Arkansas that on November 21, 2002, the | | |
| 19 | Arkansas Supreme Court ruled in the matter of Lake View School District No. | | |
| 20 | 25, et al. v. Mike Huckabee, Governor, et al. that the Arkansas school | | |
| 21 | funding system is unconstitutional under Article 14 §1 and Article 2, §§ 2, | | |
| 22 | 3, and 18 of the Arkansas Constitution; that as a result of the ruling the | | |
| 23 | General Assembly must review the education system in Arkansas in order to | | |
| 24 | ensure that every student in the Arkansas public school system has an equal | | |
| 25 | opportunity to obtain an adequate education; and that this act is immediately | | |
| 26 | necessary to prevent unnecessary legal obstacles and impediments to the | | |
| 27 | General Assembly's ability to act in an efficient and expeditious manner in | | |
| 28 | this regard. Therefore, an emergency is declared to exist and this act being | | |
| 29 | immediately necessary for the preservation of the public peace, health, and | | |
| 30 | safety shall become effective on: | | |
| 31 | (1) The date of its approval by the Governor; | | |
| 32 | (2) If the bill is neither approved nor vetoed by the Governor, | | |
| 33 | the expiration of the period of time during which the Governor may veto the | | |
| 34 | bill; or | | |
| 35 | (3) If the bill is vetoed by the Governor and the veto is | | |
| 36 | overridden, the date the last house overrides the veto. | | |