

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 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H2/24/03

A Bill

HOUSE BILL 1539

5 By: Representative Mahony
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7

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 OTHER PURPOSES.

Subtitle

15 AN ACT TO PROHIBIT LOCAL SCHOOL BOARDS
16 OF EDUCATION FROM ENTERING INTO
17 CONTRACTS, EXCEPT UNDER CERTAIN
18 CONDITIONS, UNTIL JULY 1, 2004; AND FOR
19 OTHER PURPOSES.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 6-13-620 is amended to read as follows:
25 6-13-620. Powers and duties.

26 (a) The Except as prohibited under subsections (b) and (c) of this
27 section, the board of directors of each school district in the state shall be
28 charged with the following powers and perform the following duties:

29 (1) Have the care and custody of the schoolhouse, grounds, and
30 other property belonging to the district and shall keep it in good repair and
31 in sanitary and sightly condition;

32 (2) Lease sixteenth section lands located in the school
33 district, individually or in conjunction with the other boards of directors
34 of other school districts interested in the sixteenth section, as the case
35 may be;

36 (3) Purchase buildings or rent schoolhouses and sites therefor



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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 (B) There shall be four (4) copies of each contract made:

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 (C) The issuing of annual contracts to personnel other
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
20 the schools in their district while children are present, see to the welfare
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;

13 (11)(A) If in any school district it should be apparent that the
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.
20 Each contract made with the teachers shall be subject to that contingency,
21 and the district shall not be liable for teachers' salaries for the time the
22 school is so closed.

23 (B) Should any director participate in keeping a school
24 open and incurring additional expenses which would cause increased
25 indebtedness of the district prohibited in this subdivision (11), he or she
26 shall be liable personally for the amount of such additional indebtedness.

27 (C) However, in cases of emergency, the state board may
28 grant special permission to a district to create temporary current
29 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.

36 (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 (B) The budget for the ensuing year;

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
20 existing local city, county, or other local governmental agency's web site.

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, enforceable court-ordered mandates, or
24 contracts entered into in connection with a bond issuance or a project
25 financed with an issuance of bonds, no school board of directors of any
26 public school, or any governing body of a charter school or an education
27 cooperative shall enter into any contractual obligation exceeding seventy-
28 five thousand dollars (\$75,000) for the purchase, sale, construction,
29 improvement, repair, or equipment for facilities, motor vehicles, buildings,
30 or real property sites without the prior written approval of the State Board
31 of Education or the Director of the Department of Education as allowed in
32 emergency situations.

33 (c) Beginning on the effective date of this subsection (c) through
34 July 1, 2004, notwithstanding any other provision of law except for currently
35 binding contractual obligations or enforceable court ordered mandates, no
36 school board of directors of any public school district or charter school

1 shall enter into any personal, professional, or other service contracts on
2 behalf of the school district for a time period greater than one (1) year
3 without the prior written approval of the State Board of Education or the
4 director of the Department of Education as allowed in emergency situations.

5
6 SECTION 2. Arkansas Code § 6-17-301 is amended to read as follows:

7 6-17-301. Employment of certified personnel.

8 (a) District Except as prohibited under subsections (c) and (d) of
9 this section, school boards may employ superintendents, deputy
10 superintendents, assistant superintendents, and high school principals, as
11 well as department heads, coaches, teachers, and other certified personnel,
12 by written contract for a period of time not more than three (3) years.

13 (b) Such contracts may be renewed annually.

14 (c) Beginning on the effective date of this subsection (c) through
15 July 1, 2004, notwithstanding any other provision of law except for currently
16 binding contractual obligations or enforceable court ordered mandates, no
17 Arkansas public school district board of directors, or the governing board of
18 an educational cooperative or charter school may employ or extend the
19 employment contract of any superintendent, assistant superintendent, school
20 principal, department head, coach, teacher, or other certified or non-
21 certified personnel for a period of time beyond June 30, 2004 without the
22 prior written approval of the State Board of Education or the Director of the
23 Department of Education as allowed in emergency situations.

24 (d) No employment contract or extension to an employment contract
25 entered on or after the effective date of this subsection (d) through July 1,
26 2004, may have a combined total increase in salaries, income, and benefits of
27 greater than five percent (5%) of the immediate previous existing contract
28 for the same or substantially similar personnel position without the prior
29 written approval of the State Board of Education, except for salary or
30 benefit increases legislatively approved and mandated by the Arkansas General
31 Assembly, specifically including but not limited to, pay increases under the
32 Educator's Compensations Act of 2001.

33 SECTION 3. Arkansas Code § 6-17-410(e)(2), concerning revocation of a
34 teacher's license, is amended to add an additional subdivision to read as
35 follows:

36 (2) For the purposes of this subsection, "cause" means any of the

1 following:

2 (A) Pleading guilty or nolo contendere to or being found guilty
3 of a felony not listed in subsection (c) of this section;

4 (B) Pleading guilty or nolo contendere to or being found guilty
5 of a nonfelony negligent homicide or a misdemeanor involving physical
6 mistreatment or abuse against a child and not listed in subsection (c) of
7 this section;

8 (C) Holding a license obtained by fraudulent means;

9 (D) Revocation of a license in another state;

10 (E) Intentionally compromising the validity or security of any
11 student test or testing program administered by or required by the board or
12 the Department of Education;

13 (F) Having the completed examination test score of any testing
14 program required by the board for teacher licensure declared invalid by the
15 testing program company and so reported to the Department of Education by the
16 testing company;

17 (G) Having an expunged or pardoned conviction for any sexual or
18 physical abuse offense committed against a child; ~~or~~

19 (H) Failing to establish or maintain the necessary requirements
20 and standards set forth in Arkansas law or board rules and regulations for
21 teacher licensure; or

22 (I) Having knowingly and intentionally violated the provisions
23 of § 6-17-301(c) and (d), or § 6-20-1201.

24

25 SECTION 4. Arkansas Code § 6-20-1201 is amended to read as follows:

26 6-20-1201. Authority to borrow money and issue negotiable bonds.

27 (a) After July 1, 2004, all ~~All~~ school districts are authorized to
28 borrow money and to issue negotiable bonds for the repayment thereof from
29 school funds for the building and equipping of school buildings, for making
30 additions and repairs thereto, for purchasing sites therefor, for purchasing
31 new or used school buses, for refurbishing school buses, for the professional
32 development and training of teachers or other programs authorized under the
33 federally recognized Qualified Zone Academy Bond program codified at 26
34 U.S.C. § 1397E, and for paying off outstanding postdated warrants,
35 installment contracts, revolving loans, and lease-purchase agreements, as
36 provided in this act.

1 (b) No school district shall have the authority to act in accordance
2 with the provisions of subsection (a) of this section from the effective date
3 of this subdivision (b) through July 1, 2004, without the prior written
4 approval of the State Board of Education or the Director of the Department of
5 Education as allowed in emergency situations.

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7 SECTION 5. (a) Any school district, local board of directors or other
8 person seeking prior written approval from the State Board of Education or
9 the Director of the Department of Education under Arkansas Code § 6-17-301(c)
10 and (d), § 6-13-620(15) and (16), and § 6-20-1201, shall send a written
11 petition to the Director of the Department of Education, no less than fifteen
12 (15) days prior to the next regularly scheduled State Board of Education
13 meeting, requesting that the matter be placed on the agenda of the State
14 Board of Education at next regularly scheduled State Board of Education
15 meeting and include in the petition:

16 (1) The names and addresses of the requestor and of all parties
17 to the contract;

18 (2) A statement explaining the purpose of the contract or
19 project;

20 (3) The total expected contract price or project amount; and

21 (4) A copy of the proposed contract or project proposal.

22 (b)(1) The State Board of Education shall hear all petitions filed
23 under subsection (a), and based on the State Board of Education's
24 determination of whether the petition would be in the best interest of the
25 state's system of education, shall:

26 (A)(i) Approve the petition, in whole or any part thereof;

27 (ii) Deny the petition, in whole or any part
28 thereof; or

29 (iii) Request additional information with respect to
30 any part of the petition or additional time to consider the petition; and

31 (B) Send a written notice of the board's action to the
32 requestor no less than five (5) days following the meeting.

33 (2) The State Board of Education may deny any petition because
34 of the failure to provide sufficient information as requested by the State
35 Board of Education or required under subsection (a) of this section.

36 (c) When and if a school district superintendent declares in a written

1 petition to the Director of the Department of Education that a school
2 district must take immediate action to address a need of the district, and
3 the necessary action is of nature and circumstance that the local school
4 district would be unduly harmed to wait until the next regularly scheduled
5 State Board of Education meeting for approval, the director is may, in his
6 sole discretion, declare that an emergency exists and approve in whole or in
7 part the requested contract, obligation, expenditure or condition of the
8 school district.

9 (d) For purposes of this section, "project" means any contract or
10 combined contractual obligation related to a specific purchase, sale,
11 construction, improvement, repair, or equipment for facilities, motor
12 vehicles, buildings, or real property sites.

13
14 SECTION 6. Title 6, Chapter 24, Subchapter 1 is amended by adding an
15 additional section to read as follows:

16 6-24-120. Violations.

17 (a) Any board member, administrator, employee or non-employee of a
18 public school district, educational cooperative or charter school who
19 knowingly and intentionally violates the provisions of § 6-17-301(c) or (d),
20 § 6-13-620(15) or (16) or § 6-20-1201 shall be guilty of an unclassified
21 misdemeanor and subject to a fine in the amount of one thousand dollars
22 (\$1,000).

23 (b) Any board member of a public school district, educational
24 cooperative, or charter school who shall knowingly and intentionally violates
25 the provisions of § 6-17-301(c) or (d), § 6-13-620(15) or (16), or § 6-20-
26 1201 shall be subject to removal from office under § 6-13-612.

27
28 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the
29 General Assembly of the State of Arkansas that on November 21, 2002, the
30 Arkansas Supreme Court ruled in the matter of Lake View School District No.
31 25, et al. v. Mike Huckabee, Governor, et al. that the Arkansas school
32 funding system is unconstitutional under Article 14 §1 and Article 2, §§ 2,
33 3, and 18 of the Arkansas Constitution; that as a result of the ruling the
34 General Assembly must review the education system in Arkansas in order to
35 ensure that every student in the Arkansas public school system has an equal
36 opportunity to obtain an adequate education; and that this act is immediately

1 necessary to prevent unnecessary legal obstacles and impediments to the
2 General Assembly's ability to act in an efficient and expeditious manner in
3 this regard. Therefore, an emergency is declared to exist and this act being
4 immediately necessary for the preservation of the public peace, health, and
5 safety shall become effective on:

6 (1) The date of its approval by the Governor;

7 (2) If the bill is neither approved nor vetoed by the Governor,
8 the expiration of the period of time during which the Governor may veto the
9 bill; or

10 (3) If the bill is vetoed by the Governor and the veto is
11 overridden, the date the last house overrides the veto.

12 */s/ Mahony*

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