

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: H4/7/03

A Bill

HOUSE BILL 2697

5 By: Representative Green
6
7

For An Act To Be Entitled

9 *AN ACT TO CREATE THE OMNIBUS QUALITY EDUCATION*
10 *ACT OF 2003; TO ESTABLISH A COMPREHENSIVE SYSTEM*
11 *OF EDUCATIONAL ACCOUNTABILITY TO ENFORCE THE*
12 *ARKANSAS STANDARDS OF ACCREDITATION; THE ARKANSAS*
13 *COMPREHENSIVE TESTING, ASSESSMENT AND*
14 *ACCOUNTABILITY PROGRAM, THE NO CHILD LEFT BEHIND*
15 *ACT OF 2001; THE ARKANSAS ACADEMIC DISTRESS*
16 *PROGRAM; THE ARKANSAS FISCAL DISTRESS ASSESSMENT*
17 *AND ACCOUNTABILITY PROGRAM; AND FOR OTHER*
18 *PURPOSES.*

Subtitle

21 THE OMNIBUS QUALITY EDUCATION ACT OF
22 2003.
23
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 *SECTION 1. Arkansas Code § 5-15-201 is amended to read as follows:*
28 *6-15-201. Title.*

29 *This subchapter shall be known as and may be cited as "The Quality*
30 *Education Act of ~~1983~~ 2003".*
31

32 *SECTION 2. Arkansas Code § 6-15-202 is amended to read as follows:*
33 *6-15-202. Accreditation - Development of regulations and standards.*

34 *(a) The State Board of Education is authorized and directed to develop*
35 *comprehensive regulations, criteria, and ~~minimum~~ standards to be used by the*
36 *board and the Department of Education in the accreditation of school programs*



1 in elementary and secondary public schools in this state.

2 (b)(1) All public schools and school districts shall meet the
3 Standards of Accreditation for Arkansas Public Schools which shall be adopted
4 by the State Board of Education.

5 (2) The State Board of Education, upon showing of just cause,
6 may grant a waiver of any standard of accreditation for a time period of no
7 longer than one (1) school year, except that no curricula, student
8 performance, school performance, or any standard required by law may be
9 waived for any time period.

10 (3) A school district is deemed to have failed to meet the
11 Standards of Accreditation for Arkansas Public Schools, if on any standard
12 applicable to the general operation of a school district as defined by the
13 State Board of Education, the district receives a probationary status.

14 (4) A school is deemed to have failed to meet the Standards of
15 Accreditation for Arkansas Public Schools, if on any standard applicable to
16 the specific operation of that school as defined by the State Board of
17 Education, the school receives a probationary status.

18 (c) The State Board of Education shall promulgate rules and
19 regulations setting forth:

20 (1) The process for identifying schools and school districts
21 that fail to meet the Standards of Accreditation for Arkansas Public Schools;

22 (2) Enforcement measures the State Board of Education may apply
23 to bring a school or school district into compliance with the Standards of
24 Accreditation for Arkansas Public Schools, including but not limited to,
25 annexation, consolidation, or reconstitution of the school district in
26 accordance with § 6-13-1401 and this subchapter; and

27 (3) The appeal process available to a school district under this
28 subchapter.

29 ~~(b)~~(d) After the regulations are adopted and implemented by the board,
30 standards and procedures shall regularly be reviewed by the House and Senate
31 Interim Committees on Education at least once every two (2) years, and
32 recommendations and advice in regard thereto may be filed by the committees
33 with the board for its consideration.

34
35 SECTION 3. Arkansas Code § 6-15-203 is amended to read as follows:

36 6-15-203. Notification of failure to meet standards of accreditation -

1 Appeal.

2 (a) The Department of Education shall annually notify all school or
3 school districts failing to meet ~~minimum~~ standards for accreditation for
4 elementary and secondary schools not later than ~~June 15~~ May 15 of each year
5 of such determination.

6 (b)(1) In the event a school district affected by this subchapter
7 believes the department has improperly determined that ~~the a school or school~~
8 district fails to meet minimum the standards for accreditation ~~of any school~~
9 ~~in the district~~, the school district shall have a right of appeal thereafter
10 to the State Board of Education.

11 (2) Any such appeal shall be held in an open hearing, and the
12 decision of the board shall be in open session.

13 (3) ~~Appeal~~ Appeals must be filed not later than ~~June 30~~ May 30
14 following the ~~June 15 certification~~ May 15 determination of accreditation
15 status, and the board hearing must be held prior to ~~July 15~~ August 15 of the
16 same calendar year.

17 (4) The board may confirm the classification of a local school
18 or school district as determined by the department, or it may sustain the
19 appeal of the district.

20 (5) ~~An appeal from the ruling of the board may be made by any~~
21 ~~district to a court of competent jurisdiction provided such appeal is made~~
22 ~~within ninety (90) days after the effective date of any annexation~~ An
23 aggrieved school district may appeal the ruling of the state board to circuit
24 court in Pulaski County pursuant to the Arkansas Administrative Procedures
25 Act.

26

27 SECTION 4. Arkansas Code § 6-15-206 is amended to read as follows:

28 6-15-206. Subsequent failure to meet standards of accreditation.

29 (a) Any school or school district which ~~is determined to meet the~~
30 ~~minimum standards for accreditation of Arkansas public elementary and~~
31 ~~secondary schools as provided in this subchapter which subsequently falls~~
32 ~~below~~ fail to meet current ~~minimum~~ standards for accreditation as determined
33 by the Department of Education shall be classified as probationary.

34 (b) Notice thereof shall be filed with the school district in which
35 the school is located that the school or school district must meet ~~minimum~~
36 all standards for accreditation within no more than two (2) consecutive

1 school years including the year the probationary status is declared or be
 2 subject to the mandates of this subchapter ~~with reference to dissolution and~~
 3 ~~annexation~~ including, but not limited to, possible consolidation, annexation,
 4 or reconstitution of a school district as provided under §§ 6-13-1401 and
 5 this subchapter. The department shall prepare and promulgate regulations and
 6 guidelines for the maximum times allowable for correction of ~~particular~~ any
 7 violations of standards, provided no ~~individual~~ probationary status violation
 8 may exist for more than two (2) consecutive school years.

9 (c)(1) School districts shall submit annually evidence of compliance
 10 with standards for accreditation for the district and each school in the
 11 district.

12 (2) The department shall ~~periodically~~ review annually the
 13 educational standards of school districts for the purpose of determining
 14 whether ~~minimum~~ standards for accreditation of the schools therein are in
 15 compliance with current state standards for accreditation.

16 (d) ~~Review~~ An onsite review of each school's compliance shall be made
 17 at least every ~~five (5)~~ two (2) years ~~and~~ or more frequently if the
 18 department has reason to believe that the school district or any school
 19 therein has fallen below ~~minimum~~ standards for accreditation.

20 (e) The department shall cooperate with local schools and school
 21 authorities in order to assist affected school districts and schools therein
 22 to achieve compliance with the ~~minimum~~ standards for accreditation as
 23 provided in this subchapter.

24
 25 SECTION 5. Arkansas Code Title 6, Chapter 15, Subchapter 2 is amended
 26 to add additional sections to read as follows:

27 6-15-207. Enforcement of standards.

28 (a) The State Board of Education may take any number of the following
 29 actions, listed in subsection (c), to address a school or school district
 30 failing to meet standards of accreditation any time after a school or school
 31 district has received notice of being placed on probationary status pursuant
 32 to § 6-15-202 and 203.

33 (b) The State Board of Education shall take at least one of the
 34 following actions, listed in subsection (c), to address any school or school
 35 district which has failed to meet all standards of accreditation for two (2)
 36 consecutive school years including the year the probationary status is

1 declared pursuant to § 6-15-202 and 203, unless the State Board of Education,
2 at its discretion, issues written findings supported by a majority of the
3 board, that the school district could not meet current standards for the
4 relevant time period due to impossibility caused by external forces beyond
5 the school district's control.

6 (c) The State Board of Education shall be allowed to take the
7 following actions to address any school or school district on probationary
8 status for failing to meet the standards of accreditation:

9 (1) Require a school district to reorganize or reassign the
10 administrative, instructional or support staff of a public school;

11 (2) Require a school or school district to institute and fully
12 implement a curriculum that is based on State academic content and
13 achievement standards, including providing appropriate professional
14 development at the cost of the school district;

15 (3) Remove a particular school from the jurisdiction of a school
16 district and establish alternative public governance and supervision of such
17 school or schools;

18 (4) Require a school district to close down or dissolve a
19 particular school or schools within a school district;

20 (5) Annex a school district or districts or parts thereof with
21 another receiving school district or districts pursuant to the authority of §
22 6-13-1401 through 6-13-1409 and this subchapter;

23 (6) Consolidate a school district or districts or parts thereof
24 with another school district or districts or parts thereof to form a
25 resulting district pursuant to the authority of § 6-13-1401 et seq. and this
26 subchapter;

27 (7) Reconstitute the leadership of a school district by removing
28 permanently or suspending on a temporary basis the superintendent of the
29 school district or any particular board members of a school district. The
30 State Board shall have the authority to appoint an administrator or to call
31 for the election of new school board members to administer the affairs and
32 provide governance of the school district, or both.

33 (8) Take any other appropriate action allowed by law which is
34 determined by the State Board of Education to assist and address a school or
35 school district failing to meet the standards of accreditation.

36

1 6-15-208. Publication and dissemination.

2 When any school of a school district or the school district is
 3 determined by the State Board of Education to be on probationary status for
 4 failure to meet the standards of accreditation that school district after
 5 exhausting its rights to appeal shall:

6 (1) Publish the probationary status determination and findings of the
 7 State Board to the public and the parents or care giver of each student
 8 enrolled in the school or school district determined to fail to meet the
 9 standards of accreditation;

10 (2) The public notice shall be in an understandable and uniform
 11 format; and

12 (3) The public notice shall be published or disseminated, immediately
 13 after the State Board's determination, on the web-site of the school district
 14 and published at least one (1) time a week for two (2) consecutive weeks in a
 15 local newspaper of general circulation in the affected school district.

16
 17 6-15-209. Rules and regulations.

18 The State Board of Education shall promulgate rules and regulations as
 19 necessary to set forth the:

20 (1) Process for identifying and addressing a school or school district
 21 that is failing to meet the Standards of Accreditation for Arkansas Public
 22 Schools;

23 (2) Process and measures to be applied to require a school or school
 24 district to comply with the Standards of Accreditation for Arkansas Public
 25 Schools, including but not limited to, possible annexation, consolidation or
 26 reconstitution of a school district under § 6-13-1401 through 6-13-1409 and
 27 this subchapter;

28 (3) Appeals process and procedures available to a school district
 29 pursuant to this subchapter and current law; and

30 (4) Definitions and meaning of relevant terms governing the
 31 establishment and governance of the Standards of Accreditation for Arkansas
 32 Public Schools.

33
 34 SECTION 6. Arkansas Code § 6-15-211 is repealed.

35 ~~6-15-211. Amount of state aid to consolidated or annexed districts.~~
 36 ~~In any consolidation or annexation as the result of this subchapter,~~

1 ~~the combined districts shall not receive less state aid for each of the next~~
2 ~~two (2) school years than was received the year previous to the annexation.~~

3
4 SECTION 7. Arkansas Code § 6-15-401 is amended to read as follows:
5 6-15-401. Title.

6 ~~The title of this~~ This subchapter shall be known as and may be cited as
7 the "Arkansas Comprehensive Testing, Assessment, and Accountability Program
8 Act".
9

10 SECTION 8. Arkansas Code § 6-15-402 is amended to read as follows:
11 6-15-402. Purpose.

12 (a)(1) The purpose of this subchapter is to provide the statutory
13 framework necessary to ensure that all students in the public schools of this
14 state have an equal opportunity to demonstrate grade-level academic
15 proficiency through the application of knowledge and skills in the core
16 academic subjects consistent with state curriculum frameworks, performance
17 standards, and assessments. The State of Arkansas recognizes and declares
18 that students who are not performing at grade-level standards of academic
19 proficiency are especially harmed by social promotion because they are not
20 equipped with the necessary academic skills to be successful and productive
21 members of society. ~~The Department of Education is committed to having all~~
22 ~~students perform at grade level and beyond.~~ For this reason, the Arkansas
23 Comprehensive Testing, Assessment, and Accountability Program will emphasize
24 point-in-time intervention and remediation upon the discovery that any
25 student is not performing at grade level.

26 (2) This subchapter is constructed around a system that includes
27 statewide indicators, individual school improvement indicators, and a locally
28 generated school accountability narrative. The total program shall be applied
29 to each school in the state public school system.

30 (3) This subchapter is designed to be a multiyear commitment to
31 assess the academic progress and performance of Arkansas' public school
32 students.

33 (b) The purposes of the assessment and accountability program
34 developed ~~pursuant to the provisions of this~~ under this subchapter shall be
35 to:

36 (1) Improve student learning and classroom instruction;

1 (2) Provide public accountability by exemplifying expected
2 achievement levels, ~~and~~ by reporting on school and school district
3 performance, and applying a framework for state action for a school or school
4 district that fails expected achievement levels as defined in the Arkansas
5 Comprehensive Testing, Assessment, and Accountability Program rules and
6 regulations; and

7 (3) Provide evaluation data of school and school district
8 performance in order to assist policymakers at all levels in decision making.

9
10 SECTION 9. Arkansas Code § 6-15-403 is amended to read as follows:

11 6-15-403. Authority of State Board of Education.

12 The State Board of Education through the Department of Education is
13 ~~hereby~~ authorized to:

14 (1) Develop a single comprehensive testing, assessment, and
15 accountability program which utilizes the most current and effective testing,
16 evaluation, and assessment research information designed to achieve the
17 following purposes set forth in this subchapter:

18 (A) Set clear academic standards;

19 (B) Establish professional development;

20 (C) Establish expected achievement levels;

21 (D) Report on student achievement and other indicators;

22 (E) Provide evaluation data;

23 (F) Recognize academic excellence and failure; ~~and~~

24 (G) Apply awards and sanctions; and

25 (H) Comply with current federal law;

26 (2) Promulgate such rules and regulations as may be necessary to
27 develop and implement the comprehensive testing, assessment and
28 accountability program; and

29 (3) Employ staff and enter into contracts as may be necessary to carry
30 out the provisions of this subchapter.

31
32 SECTION 10. Arkansas Code § 6-15-404 is amended to read as follows:

33 6-15-404. Program implementation.

34 (a) The State Board of Education will establish clear, specific,
35 challenging academic content standards which define what students shall know
36 and be able to do in each content area. Instruction in all public schools

1 shall be based on these academic content standards.

2 (b) The State Board of Education shall establish a schedule for
3 periodic review and revision of academic content standards to ensure Arkansas
4 academic content standards are rigorous and equip students to compete in the
5 global workforce.

6 (c) The State Board of Education shall include the following elements
7 in the periodic review and revision of Arkansas Academic content Standards:

8 (1) External review by outside content standards experts.

9 (2) Review and input by higher education, workforce education,
10 and community members.

11 (3) Study and consideration of academic content standards from
12 across the nation and international level as appropriate.

13 (4) Study and consideration of evaluation from national groups
14 or organizations as appropriate.

15 (5) Revisions by committees of Arkansas teachers and
16 instructional supervisor personnel from public schools, assisted by teachers
17 from institutions of higher education.

18 (6) Public dissemination of revised academic content standards
19 at State Board of Education meeting and Department of Education web site.

20 (d) The State Board of Education shall establish a clear concise
21 system of reporting the academic performance of each school on the state
22 mandated criterion reference exam which conforms with the requirements of the
23 No Child Left Behind Act of 2001.

24 (e) The State Board of Education shall develop and the Department of
25 Education shall implement a developmentally appropriate uniform school
26 readiness screening to validate a child's school readiness as part of a
27 comprehensive evaluation design. Beginning with the 2004-2005 school year,
28 the Department of Education shall require that all school districts
29 administer the uniform school readiness screening to each kindergarten
30 student in the district school system upon the student's entry into
31 kindergarten. Children who enter public school for the first time in first
32 grade must be administered the uniform school readiness screening developed
33 for use in first grade.

34 (f)(1) The Department of Education shall select a developmentally
35 appropriate assessment to be administered to all students in grades one (1)
36 and two (2) in reading and mathematics.

1 (2) Professional development activities shall be tied to the
2 comprehensive school improvement plan and designed to increase student
3 learning and achievement.

4 (3) Longitudinal and trend data collection shall be maintained
5 for the purposes of improving student and school performance.

6 (4) A public school or public school district classified as in
7 "school improvement" shall develop and file with the Department of Education
8 a comprehensive school improvement plan designed to ensure that all students
9 demonstrate proficiency on all portions of state-mandated criterion-
10 referenced assessment. The comprehensive school improvement plan shall
11 include strategies to address the achievement gap existing for any
12 identifiable group or subgroup as identified in the Arkansas Comprehensive,
13 Testing, Assessment and Accountability Program and the gap of that subgroup
14 to the academic standard.

15 ~~(a)(1)(g)(1)~~ The Department of Education shall develop and implement
16 testing for public school students at the primary and middle-level grades, as
17 well as end-of-course testing, which is criterion-referenced and which
18 measures application of knowledge and skills in reading and writing literacy,
19 mathematics and, as funds are available, in science and social studies.

20 (2) The department shall test public school students in a manner
21 and with a nationally norm-referenced test to be selected by the State Board
22 of Education ~~at the middle level and high school grades.~~

23 (3) The board shall establish expected levels of achievement on
24 the criterion-referenced examinations for all areas of assessment and
25 accountability.

26 (4) The State of Arkansas shall participate in the
27 administration of the National Assessment of Educational Progress
28 examinations.

29 ~~(b)(h)~~ Any student failing to achieve the established standard on the
30 criterion-referenced examinations shall be evaluated by school personnel, who
31 shall jointly develop an academic improvement plan to assist the student in
32 achieving the expected standard in subject areas where performance is
33 deficient.

34 ~~(e)(1)(i)(1)~~ Each school shall develop one (1) comprehensive, long-
35 range school improvement plan focused on student achievement.

36 (2)(A) Any school that fails to achieve ~~expected~~ established

1 levels of student performance on criterion-referenced tests, ~~norm-referenced~~
 2 ~~tests~~, and related indicators, as defined ~~in this subchapter~~ by rule and
 3 regulation, shall ~~participate in~~ implement a comprehensive school improvement
 4 plan accepted by the department. This improvement plan shall assist those
 5 students performing below grade level in achieving the ~~expected~~ established
 6 standard.

7 (B) This plan shall be part of each school's long-range
 8 comprehensive school improvement plan and shall be reported to the public.

9 (C) Progress on improved achievement shall be included as
 10 part of the school's and school district's annual report to the public.

11 ~~(d)~~(j) The department and the local school districts shall annually
 12 compile and disseminate to the public results of ~~administering~~ all required
 13 examinations. The results of the end-of-course testing shall become a part of
 14 each student's transcript or permanent record and shall be recorded on these
 15 documents in a manner prescribed by the state board.

16
 17 SECTION 11. Arkansas Code § 6-15-406 is amended to read as follows:
 18 6-15-406. Assessment of basic skills.

19 The comprehensive testing, assessment, and accountability program to be
 20 developed by the Department of Education and approved by the State Board of
 21 Education shall include, but is not limited to, the following components or
 22 characteristics:

23 (1) Assessment of academic achievement at grade levels selected to be
 24 tested by the department;

25 (2) Longitudinal and trend data collection for the purposes of
 26 improving student and school performance;

27 (3) A variety of assessment methods;

28 (4) Construction of a database composed of academic performance
 29 indicators that shall apply to every school and school district in the state
 30 that will allow the department, over time, to identify those schools and
 31 school districts that are performing at or below proficient levels
 32 established under this subchapter; ~~and~~

33 (5) Meaningful comparisons of Arkansas students with those of other
 34 states, regions, and the nation through the National Assessment of
 35 Educational Progress examination and norm-referenced examinations; and

36 (6) Review and assistance to the department in developing the

1 comprehensive testing, assessment and accountability program by a panel of
 2 external psychometric experts.

3
 4 SECTION 12. Arkansas Code § 6-15-419 is amended to read as follows:
 5 6-15-419. Definitions.

6 The following definitions shall apply in this subchapter, unless the
 7 context otherwise requires:

8 (1)(A) "Academic improvement plan" means a plan detailing supplemental
 9 or intervention and remedial instruction, or both, in deficient academic
 10 areas for any student who is not proficient on a portion or portions of the
 11 state-mandated criterion-referenced assessments.

12 (B)(i) Such a plan shall be created and implemented by
 13 appropriate teachers, counselors, and any other pertinent school personnel.

14 (ii) All academic improvement plans shall be annually
 15 reviewed and revised to ensure ~~effectiveness and to ensure~~ an opportunity for
 16 student demonstration of proficiency in the targeted academic areas on the
 17 next state-mandated criterion-referenced assessments.

18 (iii) A cumulative review of all academic improvement
 19 plans shall be part of the data used by the school in creating and revising
 20 its comprehensive school improvement plan.

21 (iv) All academic improvement plans shall be subject to
 22 review by the Department of Education.

23 (C) In any instance where a student with disabilities identified
 24 under the Individuals with Disabilities Education Act has an individualized
 25 education program that already addresses any academic area or areas in which
 26 the student is not proficient on state-mandated criterion-referenced
 27 assessments, the individualized education program shall serve to meet the
 28 requirement of an academic improvement plan;

29 (2) "Annexation" means the joining of an affected school district or
 30 part of the school district with a receiving district under §§ 6-13-1401
 31 through 6-13-1409;

32 ~~(11)(3)~~ (3) "School improvement plan Comprehensive school plan" means the
 33 individual school's comprehensive plan based on priorities indicated by
 34 assessment and other pertinent data and designed to ~~ensure that~~ provide an
 35 opportunity for all students demonstrate proficiency on all portions of
 36 state-mandated criterion-referenced assessments; ~~and~~

1 (4) "Consolidation" means the joining of two (2) or more school
2 districts or parts of the school districts to create a new single school
3 district under §§ 6-13-1401 through 6-13-1409;

4 (5) "Department" means the Department of Education;

5 ~~(2)~~(6) "District improvement plan" means a districtwide plan
6 coordinating the actions of the various comprehensive school improvement
7 plans within a district. The main focus of the district improvement plan
8 shall be to ensure that all students demonstrate proficiency on all portions
9 of state-mandated criterion-referenced assessments;

10 ~~(3)~~(7) "Early intervention" means short-term, intensive, focused,
11 individualized instruction developed from ongoing, daily, systematic
12 diagnosis that occurs while a child is in the initial, kindergarten through
13 grade one (K-1), stages of learning early reading, writing, and mathematical
14 strategies to ensure acquisition of the basic skills and to prevent the child
15 from developing poor problem-solving habits which become difficult to change.
16 The goal is to maintain a student's ability to function proficiently at grade
17 level;

18 ~~(4)~~(8) "End of course" means an examination taken at the completion of
19 a course of study to determine whether a student demonstrates attainment of
20 the knowledge and skills necessary to mastery of that subject;

21 ~~(5)~~(9) "Grade level" means performing at the proficient or advanced
22 level on state-mandated criterion-referenced tests;

23 ~~(6)~~(10) "High school" means grades nine through twelve (9-12);

24 ~~(7)~~(11) "Middle level" means grades five through eight (5-8);

25 ~~(8)~~(12) "Point-in-time intervention and remediation" means
26 intervention and remediation applied during the academic year upon the
27 discovery that a student is not performing at grade level;

28 ~~(9)~~(13) "Primary" means kindergarten through grade four (K-4);

29 (14) "Public school" means those schools or school districts created
30 pursuant to Title 6 of the Arkansas Code and subject to the Arkansas
31 Comprehensive Testing, Assessment, and Accountability Program except
32 specifically excluding those schools or educational programs created by or
33 receiving authority to exist pursuant to § 6-15-501, § 9-28-205, §§ 12-29-301
34 through 12-29-310, or other provisions of Arkansas law;

35 (15) "Reconstitution" means a reorganization intervention in the
36 administrative unit or governing body of a public school district, including

1 but not limited to the suspension, reassignment, replacement, or removal of a
2 current superintendent, or the suspension, removal, or replacement of some or
3 all of the current school board members, or both;

4 ~~(10)(A)(i)~~ (16)(A)(i) "Remediation" means a process of using diagnostic
5 instruments to provide corrective, specialized, supplemental instruction to
6 help a student in grades two through four (2-4) overcome academic
7 deficiencies.

8 (ii) For students in grades five through twelve (5-12),
9 remediation shall be a detailed, sequential set of instructional strategies
10 implemented to remedy any academic deficiencies indicated by below-basic or
11 basic performance on the state-mandated criterion-referenced assessments.

12 (B) Remediation shall not interfere with or inhibit student
13 mastery of current grade level academic learning expectations;

14 (17) "School district in academic distress" means any public school
15 district failing to meet the minimum level of academic achievement on the
16 state mandated criterion-referenced examinations as required by the State
17 Board of Education in the "Arkansas Comprehensive Testing, Assessment, and
18 Accountability Program";

19 ~~(12)(18)~~ "Social promotion" means the passage or promotion from one
20 grade to the next of a student who has not demonstrated knowledge or skills
21 required for grade-level academic proficiency; and

22 (19) "State Board" and means the State Board of Education;

23 (20) "Public school in school improvement" or "school district in
24 school improvement" means any public school or public school district
25 identified as failing to meet certain established levels of academic
26 achievement on the state mandated criterion-referenced tests as required by
27 the State Board of Education in the Arkansas Comprehensive Testing,
28 Assessment, and Accountability Program;

29 (21) "Uniform school readiness screening" means uniform, objective
30 evaluation procedures specifically formulated for children entering public
31 school for the first time which are geared to either kindergarten or first
32 grade, as appropriate, and developed by the State Board of Education; and

33 (22) "Adequate yearly progress" means that level of academic
34 improvement required of public schools or school districts on the state-
35 mandated criterion-referenced examinations and other indicators as required
36 in the Arkansas Comprehensive Testing, Assessment, and Accountability

1 Program, which shall comply with The Elementary and Secondary Education Act
2 as reauthorized in The No Child Left Behind Act of 2001, 20 U.S.C. § 6301, et
3 seq. (2002).

4
5 SECTION 13. Arkansas Code § 6-15-420 is amended to read as follows:

6 6-15-420. ~~Informal standards of learning~~ Remediation and intervention.

7 (a)(1) In order for students to be academically prepared to achieve
8 proficiency in reading and writing literacy and mathematics, the Department
9 of Education shall require each public school serving students in
10 kindergarten through grade four (K-4) to develop, select, and implement
11 ongoing, informal assessments linked to the Arkansas frameworks.

12 (2) Literacy assessment training and mathematics assessment
13 training utilizing research-based diagnostic instruments or tools will be
14 provided for teachers by the department. Where grant funds are available in
15 the areas of highest need, a literacy coordinator may be trained.

16 (b)(1) Any student in kindergarten through grade one (K-1) failing to
17 perform at the proficient level in reading and writing literacy or
18 mathematics shall be evaluated as early as possible within each of the
19 kindergarten through grade one (K-1) academic years. Those students shall be
20 evaluated by personnel with expertise in reading and writing literacy or
21 mathematics who shall develop and implement an academic improvement plan,
22 using early intervention strategies sanctioned by the department, to assist
23 the student in achieving the expected standard.

24 (2) Any student in grades two through four (2-4) failing to
25 perform at the proficient level in reading and writing literacy or
26 mathematics shall be evaluated by personnel with expertise in reading and
27 writing literacy or mathematics who shall develop and implement an academic
28 improvement plan, using remediation strategies sanctioned by the department,
29 to assist the student in achieving the expected standard.

30 (c)(1) Upon completion of the intervention and remediation plans in
31 subdivisions (b)(1) and (b)(2) of this section, those schools that fail to
32 achieve expected levels of student performance at the primary level on
33 criterion-referenced tests, as defined in this subchapter, shall participate
34 in a comprehensive school improvement plan accepted by the department.

35 (2)(A) This plan shall be part of each school's long-range
36 comprehensive school improvement plan and shall be reported to the public.

1 (B) Progress on improved achievement shall be included as
2 part of the school and school district's annual report to the public.

3 (d)(1) As part of the comprehensive testing, assessment, and
4 accountability program, the department shall ensure that each school and
5 school district establishes a plan to assess whether children in the middle-
6 level and high school grades are performing at proficient levels in reading
7 and writing literacy, mathematics and, as funds are available, other core
8 academic subjects.

9 (2) Each school and school district shall use ~~a combination of~~
10 multiple assessment measures, which shall include, but not be limited to,
11 state-mandated criterion-referenced tests ~~or norm-referenced testing, or~~
12 ~~both~~.

13 (e) Any student failing to demonstrate a proficient level of
14 achievement in reading and writing literacy or mathematics or, as funds are
15 available, other core academic subjects, shall participate in an individual
16 academic improvement plan specifically designed to achieve proficient-level
17 performance standards in these areas.

18
19 SECTION 14. Arkansas Code § 6-15-421 is amended to read as follows:
20 6-15-421. Awards and sanctions.

21 (a)~~(1)~~ The Department of Education is authorized to develop and
22 implement, contingent upon appropriation and funding being provided by the
23 General Assembly, a program of rewards to recognize individual schools that
24 demonstrate exceptional performance in levels of student achievement and to
25 recognize schools that demonstrate significant improvement in student
26 achievement.

27 (b)(1) Each school that does not attain the expected levels of student
28 performance on state-mandated indicators and individual school improvement
29 indicators shall be designated by one (1) of several levels of sanction.

30 (2) Each level of sanction shall determine specific
31 interventions to be provided to the ~~school~~ students of public schools or
32 public school districts by the department. The levels of sanction developed
33 under this subchapter shall be incorporated into the existing comprehensive
34 school improvement plan ~~academic distress policy~~.

35 (c) The State Board of Education shall develop a clear, concise system
36 of reporting the academic performance of each public school on the state-

1 mandated, criterion-referenced tests, which conform with current state and
2 federal law.

3 ~~(e)~~(d) The State Board of Education through the department is hereby
4 authorized to promulgate such rules and regulations as may be necessary to
5 carry out the provisions of this subchapter.

6
7 SECTION 15. Arkansas Code Title 6, Chapter 15, Subchapter 4 is amended
8 to add an additional section to read as follows:

9 6-15-423. Rules and regulations.

10 The state board shall promulgate rules and regulations as may be
11 necessary to require the Department of Education to implement a program for
12 identifying, evaluating, assisting, and addressing public schools or public
13 school districts failing to meet established levels of academic achievement
14 on the state mandated criterion-referenced tests as required in the Arkansas
15 Comprehensive Testing, Assessment, and Accountability Program.

16
17 SECTION 16. Arkansas Code Title 6, Chapter 15, Subchapter 4 is amended
18 to add additional sections to read as follows:

19 6-15-424. School improvement or academic distress.

20 Those public schools or public school districts identified by the
21 Department of Education as failing to meet established levels of academic
22 achievement shall be classified as being either in school improvement or
23 academic distress as required by the Arkansas Comprehensive Testing,
24 Assessment, and Accountability Program rules and regulations.

25
26 6-15-425. School improvement.

27 (a) The State Board of Education shall develop a single comprehensive
28 testing, assessment, and accountability program which shall identify and
29 address all public schools or public school districts in school improvement,
30 or academic distress and shall be incorporated in the Arkansas Comprehensive
31 Testing, Assessment and Accountability Program rules and regulations which
32 shall comply with the Elementary and Secondary Education Act as reauthorized
33 by The No Child Left Behind Act of 2001, 20 U.S.C . §6301, et seq. (2002).

34 (b) The school board president and the superintendent of a public
35 school or school district identified by the Department of Education as being
36 classified as in school improvement, shall be notified of such classification

1 in writing by the Department, via certified mail return receipt requested,
2 and the school district shall have a right of appeal pursuant to the Arkansas
3 Comprehensive Testing, Assessment and Accountability Program rules and
4 regulations which shall comply with The No Child Left Behind Act of 2001, 20
5 U.S.C. § 6301 et seq. (2002).

6 (c) The Arkansas Comprehensive Testing, Assessment and Accountability
7 Program shall require that any public school or school district in school
8 improvement that fails to make adequate yearly progress as required in the
9 Arkansas Comprehensive Testing, Assessment and Accountability Program may,
10 after being afforded all due process rights and in a timely manner required
11 under The No Child Left Behind Act of 2001, be advanced by the State Board of
12 Education to the corrective action or restructuring phase of the Arkansas
13 Comprehensive Testing, Assessment and Accountability Program adopted in the
14 Arkansas Comprehensive Testing, Assessment and Accountability Program rules
15 and regulations.

16 (d) Any public school or school district classified in school
17 improvement shall comply with all requirements placed on a public school or
18 school district under the Arkansas Comprehensive Testing, Assessment and
19 Accountability Program rules and regulations as required by The No Child Left
20 Behind Act of 2001, 20 U.S.C. § 6301, et seq. (2002).

21 (e) Any public school or school district classified as in school
22 improvement shall develop and file with the Department of Education a
23 comprehensive school improvement plan which shall be reviewed by the
24 department and shall be designed to ensure that all students have an
25 opportunity to demonstrate proficiency on all portions of the state mandated
26 criterion-referenced tests. The comprehensive school improvement plan shall
27 include strategies to address the achievement gap existing for any
28 identifiable group or subgroup as identified in the Arkansas Comprehensive
29 Testing, Assessment and Accountability Program and the gap of that subgroup
30 to the academic standard.

31 (f) Professional development activities of a public school or public
32 school district in school improvement shall be related to the comprehensive
33 school improvement plan and designed to increase student learning and
34 achievement.

35
36 6-15-426. Academic distress notification and appeal.

1 (a) The school board president and superintendent of a school district
2 classified by the Department as being in academic distress shall be notified
3 in writing by the Department, via certified mail return receipt requested,
4 and shall have a right of appeal to the State Board of Education.

5 (b) Any school district classified in academic distress may appeal to
6 the State Board of Education by filing a written appeal, with the office of
7 the Director of the Department of Education, via certified mail return
8 receipt requested, within thirty (30) calendar days receipt of the written
9 notice of academic distress status from the Department.

10 (c) The State Board of Education shall hear the appeal of the school
11 district within sixty (60) days receipt of the written appeal in the
12 Director's office. The State Board of Education's determination shall be
13 final except that a school district may appeal to the circuit court of
14 Pulaski County under the Arkansas Administrative Procedures Act.

15
16 6-15-427. Academic distress – Required action.

17 (a) A public school district classified as in "academic distress"
18 shall have no more than two (2) consecutive school years from the date of
19 receipt of notice of classification to be removed from academic distress
20 status.

21 (b) The State Board of Education may, at any time, take enforcement
22 action on any school district in academic distress status, including but not
23 limited to annexation, consolidation or reconstitution of a school district
24 pursuant to § 6-13-1401 et seq. and the authority of this subchapter, except
25 no public school district shall be allowed to remain in academic distress
26 status for a time period greater than two (2) consecutive school years from
27 the date of classification of academic distress.

28 (c) If a public school district fails to be removed from academic
29 distress status within the allowed two (2) year time period, the State Board
30 of Education shall annex, consolidate or reconstitute the academic distress
31 school district prior to July 1 of the next school year unless the State
32 Board of Education, at its discretion, issues a written finding supported by
33 a majority of the board, explaining in detail that the school district could
34 not remove itself from academic distress during the relevant time period due
35 to impossibility caused by external forces beyond the school district's
36 control.

1
2 6-15-428. State Board of Education authority of school in academic
3 distress.

4 (a) The State Board of Education shall have the following authority
5 regarding any public school district in academic distress:

6 (1) Require the superintendent of the school district to
7 relinquish all authority with respect to the district, to appoint an
8 individual to administratively operate the district under the supervision of
9 the Director of the Department of Education, and the cost to be paid from
10 school district funding;

11 (2) Suspend or remove some or all of the current board of
12 directors and call for the election of a new school board for the school
13 district in which case the school district shall reimburse the county board
14 of election commissioners for election costs as otherwise required by law;

15 (3) Allow the school district to operate without the local
16 school board under the supervision of the local school district
17 administration or an administration chosen by the Director of the Department
18 of Education;

19 (4) Waive the application of Arkansas law, with the exception of
20 the Teacher Fair Dismissal Act of 1983, § 6-17-1501 et seq. and the Public
21 School Employee Fair Hearing Act, § 6-17-1701 et seq. or department rules and
22 regulations;

23 (5) Require the annexation, consolidation, or reconstitution of
24 the public school district; and

25 (6) Take any other necessary and proper action, as determined by
26 the State Board of Education, that is allowed by law.

27 (b)(1) Any student attending a public school district classified as
28 being in academic distress shall automatically be eligible and entitled
29 pursuant to § 6-18-206, the "Arkansas Public School Choice Act", to transfer
30 to another geographically contiguous school district not in academic distress
31 during the time period a district is classified as being in academic
32 distress, and therefore, not be required to file a petition by July 1 but
33 shall meet all other requirements and conditions of the Arkansas Public
34 School Choice Act.

35 (2) The cost of transporting the student from the resident
36 district to the nonresident district shall be the cost of the resident

1 district.

2 (3) The nonresident district shall count the student for average
3 daily membership purposes.

4
5 6-15-429. Academic distress rules and regulations.

6 (a) The State Board of Education shall promulgate rules and
7 regulations as necessary to identify, evaluate, assist and address public
8 school districts determined to be in academic distress.

9 (b) The academic distress rules and regulations shall be incorporated
10 as part of the Arkansas Comprehensive Testing, Assessment and Accountability
11 Program rules and regulations.

12
13 SECTION 17. Arkansas Code Title 6, Chapter 15, Subchapter 4 is amended
14 to add an additional section to read as follows:

15 6-15-425. Unsafe school choice program.

16 (a) Any student that becomes the victim of a violent criminal offense
17 while in or on the grounds of an Arkansas public elementary, secondary, or
18 public charter school, or who is attending a persistently dangerous public
19 school shall be allowed to attend a safe public school within the local
20 educational agency pursuant to rules and regulations established by the State
21 Board of Education and the requirements The No Child Left Behind Act of 2001,
22 20 U.S.C. § 7912 (2002).

23 (b) The State Board of Education shall promulgate rules and
24 regulations, as necessary, to administer the Unsafe School Choice Program.

25
26 SECTION 18. Arkansas Code Title 6, Chapter 20, is amended to add a new
27 subchapter read as follows:

28 6-20-1901. Title

29 This subchapter shall be known as and may be cited as the "Arkansas
30 Fiscal Assessment and Accountability Program".

31
32 6-20-1902. Purpose

33 The purpose of this subchapter shall be to establish and implement a
34 program by which the Department of Education shall identify, assess and
35 address school districts in fiscal distress.

1 6-20-1903. Definitions

2 For purposes of this subchapter:

3 (1) "Annexation" means the joining of an affected school district or
4 part of the school district with a receiving district pursuant to § 6-13-
5 1401;

6 (2) "Consolidation" means the joining of two (2) or more school
7 districts or parts of the districts to create a new single school district
8 pursuant to § 6-13-1401;

9 (3) "Department" means the Arkansas Department of Education;

10 (4) "Fiscal distress status" means a public school district determined
11 by the department and classified by the state board as being placed in fiscal
12 distress status pursuant to this subchapter;

13 (5) "School district" means a public school district created or
14 established pursuant to Title 6 of the Arkansas Code;

15 (6) "State Board" means the Arkansas State Board of Education;

16 (7) "Reconstitution" means the reorganization of the administrative
17 unit or the governing school board of a school district, including, but not
18 limited to, the replacement or removal of a current superintendent or the
19 removal or replacement of a current school board or both; and

20 (8) "Fiscal integrity" means to comply with financial management,
21 accounting, auditing, and reporting procedures and facilities management
22 procedures as required by state and federal laws and regulations in a
23 forthright and timely manner.

24
25 6-20-1904. Indicators of fiscal distress.

26 Any school district meeting any of the following criteria may be
27 identified by the Department of Education to be a school district in fiscal
28 distress upon final approval by the state board:

29 (1) A declining balance determined to jeopardize the fiscal integrity
30 of a school district; or

31 (2) Any act or violation determined to jeopardize the fiscal integrity
32 of a school district, including, but not limited to:

33 (A) Material failure to properly maintain school facilities;

34 (B) Material violation of local, state, or federal fire, health,
35 or safety code provisions or law;

36 (C) Material violation of local, state, or federal construction

1 code provisions or law;

2 (D) Material state or federal audit exceptions or violations;

3 (E) Material failure to provide timely and accurate legally-
4 required financial reports to the Department of Education, the Division of
5 Legislative Audit, the General Assembly, or the Internal Revenue Service;

6 (F) Insufficient funds to cover payroll, salary, employment
7 benefits, or legal tax obligations;

8 (G) Material failure to meet legally binding minimum teacher
9 salary schedule obligations;

10 (H) Material failure to comply with state law governing
11 purchasing or bid requirements;

12 (I) Material default on any school district debt obligation;

13 (J) Material discrepancies between budgeted and actual school
14 district expenditures;

15 (K) Material failure to comply with audit requirements of § 6-
16 20-301; or

17 (L) Material failure to comply with any provision of the
18 Arkansas Code that specifically places a school district in fiscal distress
19 based on noncompliance;

20 (3) Any other fiscal condition of a school district deemed to have a
21 detrimental negative impact on the continuation of educational services by
22 that school district.

23
24 6-20-1905. Notification and appeal.

25 (a) The Department of Education shall provide written notice, via
26 certified mail return receipt requested, to the president of the school board
27 and the superintendent of each school district identified as being in fiscal
28 distress.

29 (b) Any school district identified in fiscal distress status may
30 appeal to the State Board of Education by filing a written appeal, with the
31 office of the Director of the Department of Education, by certified mail
32 return receipt requested, within thirty (30) days of receipt of notice of
33 identified fiscal distress status from the department.

34 (c) The state board shall hear the appeal within sixty (60) days of
35 receipt of the written notice of appeal from the school district.

36 (d) The written appeal shall state, in clear terms, the reason why the

1 school district should not be classified as in fiscal distress.

2 (e) Notwithstanding any appeal rights in this subchapter, no appeal
3 shall stay the department's authority to take action to protect the fiscal
4 integrity of any school district identified as in fiscal distress.

5 (f) The decision of the State Board of Education shall be a final
6 order and there is no further right of appeal except the school district may
7 appeal to circuit court in Pulaski County pursuant to the Arkansas
8 Administrative Procedures Act, § 25-15-201, et seq.

9
10 6-20-1906. Classification of fiscal distress status.

11 (a) Those school districts identified by the Department of Education
12 as being in fiscal distress shall be classified as a school district in
13 fiscal distress upon final determination by the State Board of Education.

14 (b) Any district classified as in fiscal distress shall be required to
15 publish at least one (1) time for two (2) consecutive weeks in a newspaper of
16 general circulation in the school district, the school district's
17 classification as a school district in fiscal distress and the reasons why
18 the school district was classified as being in fiscal distress.

19 (c) The provisions of subdivisions (a) and (b) of this section are
20 effective after the school district's appeal rights have been exhausted.

21
22 6-20-1907. Deb issuance.

23 No school district identified in fiscal distress may incur any debt
24 without the prior written approval of the Department of Education.

25
26 6-20-1908. Fiscal distress plan.

27 (a) Those school districts identified by the Department of Education
28 as being in fiscal distress shall file, with the department within ten (10)
29 days after the final classification by the State Board, a written fiscal
30 distress improvement plan to address any area in which the school district is
31 experiencing fiscal distress as identified by the department.

32 (b) Each school district shall seek and obtain approval of their plan
33 from the department and shall describe how the school district will remedy
34 those areas in which the school district is experiencing fiscal distress and
35 shall establish the time period by which the school district will remedy all
36 criteria which placed the school district in fiscal distress status.

1 (c) A school district in fiscal distress may only petition the State
2 Board of Education for removal from fiscal distress status after the
3 department has, certified in writing, that the school district has corrected
4 all criteria for being classified as in fiscal distress and has complied with
5 all department recommendations and requirements for removal from fiscal
6 distress.

7 (d) No school district shall be allowed to remain in fiscal distress
8 status for more than two (2) consecutive school years from the date the
9 school district was classified as being in fiscal distress status.

10 (e) Any school district classified as being in fiscal distress status
11 shall be required to receive on-site technical evaluation and assistance from
12 the department.

13 (f)(1) The department shall evaluate and make recommendations to the
14 district superintendent regarding staffing of the district and fiscal
15 practices of the district.

16 (2) The recommendations of the department shall be binding on
17 the district, the superintendent, and the school board.

18 (g) Every six (6) months, the department shall submit a written
19 evaluation on the status of each school district in fiscal distress to the
20 State Board of Education.

21 (h)(1) The department may petition the State Board of Education, at
22 any time, for the consolidation, annexation, or reconstitution of a school
23 district in fiscal distress or take other appropriate action as allowed by
24 this subchapter in order to secure and protect the best interest of the
25 educational resources of the state or provide for the best interests of
26 students in the school district.

27 (2) The State Board of Education may approve the petition or
28 take other appropriate action as allowed by this subchapter.

29 (i) The State Board of Education shall consolidate, annex, or
30 reconstitute any school district that fails to remove itself from the
31 classification of a school district in fiscal distress within two (2)
32 consecutive school years of notice of classification by the department unless
33 the State Board of Education, at its discretion, issues a written finding
34 supported by a majority of the board, explaining in detail that the school
35 district could not meet current standards to remove itself from fiscal
36 distress due to impossibility caused by external forces beyond the school

1 district's control.

2
3 6-20-1909. Department fiscal distress actions.

4 (a) In addressing school districts in fiscal distress, the department
5 may:

6 (1) Require the superintendent to relinquish all administrative
7 authority with respect to the school district;

8 (2) Appoint an individual in place of the superintendent to
9 administratively operate the school district under the supervision and
10 approval of the Director of the Department of Education, and to compensate
11 non-department agents operating the school district from school district
12 funding;

13 (3) Call for the temporary suspension of the local school board;

14 (4) Require the school district to operate without a local
15 school board under the supervision of the local superintendent or an
16 individual or panel appointed by the Director of the Department of Education;

17 (5) Place the administration of the school district over to the
18 former board or to a newly elected school board; or

19 (6) Take any other action allowed by law that is deemed
20 necessary to assist a district in removing criteria of fiscal distress.

21 (b) The department may impose various reporting requirements on the
22 school district.

23 (c) The department shall monitor the fiscal operations and accounts of
24 the school district.

25 (d) The department shall require school district staff and employees
26 to obtain fiscal instruction or training in areas of fiscal concern for the
27 school district.

28
29 6-20-1910. State board actions.

30 (a) After a public hearing, the State Board of Education shall
31 consolidate, annex, or reconstitute the school district in fiscal distress to
32 another school district or school districts upon a majority vote of a quorum
33 of the members of the state board as permitted or required by this
34 subchapter.

35 (b) The state board has exclusive jurisdiction to determine the
36 boundary lines of the receiving or resulting school district and to allocate

1 assets and liabilities of the district.

2 (c) The decision of the State Board of Education shall be final with
 3 no further right of appeal except a school district may appeal to circuit
 4 court in Pulaski County pursuant to the Arkansas Administrative Procedures
 5 Act, § 25-12-101, et seq.

6
 7 6-20-1911. Rules and Regulations.

8 (a) The department shall promulgate rules and regulations as necessary
 9 to identify, evaluate, assist, and address school districts in fiscal
 10 distress.

11 (b) The department may promulgate rules and regulations as necessary
 12 to administer the Arkansas Fiscal Assessment and Accountability Program.

13
 14 SECTION 19. Arkansas Code § 6-13-1403 through 6-13-1405 are amended to
 15 read as follows:

16 6-13-1403. Conditions under which the State Board of Education may
 17 annex school districts.

18 (a) The State Board of Education shall consider the annexation of an
 19 affected school district or districts to a receiving district or districts
 20 under the following conditions:

21 (1) The State Board of Education, after providing thirty (30)
 22 days written notice to the affected school districts, determines annexation
 23 is in the best interest of the affected district or districts and the
 24 receiving district based upon failure to meet standards of accreditation or
 25 failure to meet academic or fiscal distress requirements pursuant to The
 26 Quality Education Act of 2003, § 6-15-201, et seq., the Arkansas
 27 Comprehensive Testing, Assessment, and Accountability Program Act, § 6-15-
 28 401, et seq., and the Arkansas Fiscal Assessment and Accountability Program,
 29 § 6-20-1901, et seq.;

30 ~~(1)(A)~~(2)(A) The affected district or districts file a petition
 31 with the state board requesting annexation to a particular receiving district
 32 or districts, and a copy of the petition is filed with the county clerk's
 33 office of each county where the affected district or districts are located.

34 (B) The county clerk's office of each county where the
 35 affected district or districts are located certifies in writing that the
 36 petition has been signed by a majority of the qualified electors of the

1 district or districts; and

2 (C) The receiving district or districts provide to the
3 state board written proof of consent to receive the affected district or
4 districts by annexation as evidenced by either a vote to approve annexation
5 by resolution by a majority of the members of the local receiving board of
6 education or by vote to approve annexation by a majority of the qualified
7 electors of the receiving district as provided for in § 6-14-122;

8 ~~(2)(A)~~(3)(A) A majority of the qualified electors in the
9 affected district or districts vote to approve the annexation of an affected
10 school district or districts to a receiving district or districts as provided
11 for in § 6-14-122; and

12 (B) The receiving district or districts provide to the
13 state board written proof of consent to receive the affected district or
14 districts by annexation as evidenced by either a vote to approve annexation
15 by resolution by a majority of the members of the local receiving board of
16 education or by vote to approve annexation by a majority of the qualified
17 electors of the receiving district as provided for in § 6-14-122; or

18 ~~(3)(A)~~(4)(A) The local board of education of the affected
19 district or districts vote to approve by resolution the annexation of the
20 affected district or districts to a receiving district or districts by a
21 majority of the members of the local board of education of the affected
22 district or districts; and

23 (B) The receiving district or districts provide to the
24 state board written proof of consent to receive the affected district or
25 districts by annexation as evidenced by either a vote to approve annexation
26 by resolution by a majority of the members of the local receiving board of
27 education or by vote to approve annexation by a majority of the qualified
28 electors of the receiving districts as provided for in § 6-14-122.

29 (b) The state board may vote to approve, by a majority of a quorum
30 present of the members of the state board, the annexation of the affected
31 districts into a receiving district;

32 (1) The State Board of Education, after providing thirty (30)
33 days written notice to the affected school districts, may on its own
34 motion based on a school district's failure to meet standards of
35 accreditation or failure to meet academic or fiscal distress requirements
36 pursuant to The Quality Education Act of 1983, § 6-15-201, et seq., the

1 Arkansas Comprehensive Testing, Assessment, and Accountability Program Act, §
2 6-15-401, et seq., and the Arkansas Fiscal Assessment and Accountability
3 Program, § 6-20-1901, et seq.; or

4 (2) ~~upon~~ Upon receipt of a valid petition for annexation and
5 after receiving proof from the petitioning party of at least one (1) of the
6 required conditions set forth in subsection (a) of this section and upon
7 receipt of proof of the issuance of public notice of the intent to annex
8 affected districts into a receiving district or districts in the local
9 newspapers of general circulation in the affected districts for a time period
10 of no less than once a week for two (2) consecutive weeks immediately prior
11 to the time the petition is filed with the state board.

12 (c) In order for the petition for annexation to be valid, it shall be
13 filed with the state board at least thirty (30) days prior to the next
14 regularly scheduled state board meeting, at which time the petition will be
15 presented for hearing before the state board. However, no petition is
16 required for the State Board of Education to annex a school district or
17 districts upon a motion of the board as allowed in subsection (b).

18 (d)(1) Upon determination by the State Board of Education to annex a
19 school district or approval of a petition requesting annexation, the state
20 board shall issue an order dissolving the affected districts and establishing
21 the receiving school district or districts.

22 (2)(A) The state board shall issue an order establishing the
23 boundary lines of the receiving district or districts.

24 (B) It shall be the duty of the Department of Education to
25 make changes in the maps of the school districts to properly show the
26 boundary lines of the receiving district or districts.

27 (e) The state board shall issue an order establishing the changed
28 boundaries and shall file the order with the county clerk or clerks of the
29 county or counties where the receiving district or districts are located. The
30 county clerk shall make a permanent record of the order and, thereafter, the
31 boundaries so established shall be boundaries of the receiving district until
32 changes are made according to the provisions of law.

33 (f) The state board shall not annex affected districts that are not
34 geographically contiguous unless the following limited conditions are
35 determined to be valid reasons for annexation:

36 (1) The annexation will result in the overall improvement in the

1 educational benefit to students in all the school districts involved; or

2 (2) The annexation will provide a significant advantage in
3 transportation costs or service to all the school districts involved.

4
5 6-13-1404. Conditions under which the State Board of Education may
6 consolidate school districts.

7 (a) The State Board of Education shall consider the consolidation of
8 affected school districts into a new resulting school district or districts
9 under the following conditions:

10 (1) The State Board of Education, after providing thirty (30)
11 days written notice to the affected school districts, determines
12 consolidation is in the best interest of the affected district or districts
13 and the resulting district based upon failure to meet standards of
14 accreditation, academic or fiscal distress requirements pursuant to The
15 Quality Education Act of 1983, § 6-15-201, et seq., the Arkansas
16 Comprehensive Testing, Assessment, and Accountability Program Act, § 6-15-
17 401, et seq., and the Arkansas Fiscal Assessment and Accountability Program,
18 § 6-20-1901, et seq.; or

19 ~~(1)(A)(2)~~ The affected districts file a petition with the state
20 board requesting that the affected districts be consolidated into a resulting
21 district or districts;

22 ~~(B)(3)~~ A copy of the petition has been filed with the county
23 clerk's office of each county where the affected districts are located; ~~and~~

24 ~~(C)(4)~~ The county clerk's office certifies in writing to the
25 state board that the petition has been signed by a majority of the qualified
26 electors of the affected districts;

27 ~~(2)(5)~~ A majority of the qualified electors in the affected
28 districts votes to approve consolidation of the affected districts into a
29 resulting district or districts pursuant to a valid election as provided for
30 in § 6-14-122; ~~and~~

31 ~~(3)(6)~~ The local board of directors votes to approve by
32 resolution of a majority of the members of each local board of education the
33 consolidation of the affected districts into a resulting district or
34 districts.

35 (b) The state board:

36 (1) After providing thirty (30) days written notice to the

1 affected school districts, may consolidate school districts upon its own
2 motion based upon a school district's failure to meet standards of
3 accreditation, academic or fiscal distress requirements pursuant to The
4 Quality Education Act of 1983, § 6-15-201, et seq., the Arkansas
5 Comprehensive Testing, Assessment, and Accountability Program Act, § 6-15-
6 401, et seq., and the Arkansas Fiscal Assessment and Accountability Program,
7 § 6-20-1901, et seq.; or

8 (2) May ~~may~~ vote to approve by a majority of a quorum present of
9 the members of the state board the consolidation of the affected districts
10 into a resulting district upon receipt of a valid petition for consolidation,
11 after receiving proof from the petitioning party of at least one (1) of the
12 required conditions set forth in subsection (a) of this section, and upon
13 receipt of proof of the issuance of public notice of the intent to
14 consolidate affected districts into a resulting district or districts in the
15 local newspapers of general circulation in the affected districts for a time
16 period of no less than once a week for two (2) consecutive weeks immediately
17 prior to the time the petition is filed with the state board.

18 (c) In order for the petition for consolidation to be valid, it shall
19 be filed with the state board at least thirty (30) days prior to the next
20 regularly scheduled state board meeting, at which time the petition will be
21 presented for hearing before the state board. However, no petition is
22 required for the State Board of Education to consolidate a school district or
23 districts on a motion of the board as allowed in subsection (b).

24 (d)(1) Upon consolidation of a district by the board or approval of a
25 petition requesting consolidation, the state board shall issue an order
26 dissolving the affected school districts and establishing the resulting
27 school district or districts.

28 (2)(A) The state board shall issue an order establishing the
29 boundary lines of the resulting district or districts.

30 (B) It shall be the duty of the Department of Education to
31 make changes in the maps of the school districts to properly show the
32 boundary lines of the resulting district or districts.

33 (e)(1) The state board shall issue an order establishing the changed
34 boundaries and shall file the order with the county clerk or clerks where the
35 resulting district or districts are located.

36 (2) The county clerk shall make a permanent record of the order

1 and, thereafter, the boundaries so established shall be boundaries of the
2 resulting district until changes are made according to the provisions of law.

3 (f) The state board shall not consolidate affected districts that are
4 not geographically contiguous unless the following limited conditions are
5 determined to be valid reasons for consolidation:

6 (1) The consolidation will result in the overall improvement in
7 the educational benefit to students in all the school districts involved; or

8 (2) The consolidation will provide a significant advantage in
9 transportation costs or service to all the school districts involved.

10
11 6-13-1405. Effective date of annexation or consolidation.

12 (a) Upon consolidation or annexation of a school district by the State
13 Board of Education:

14 (1) The effective date of the annexation or consolidation shall
15 be the July 1 following the State Board of Education action unless otherwise
16 determined by the state board;

17 (2) The State Board of Education shall prescribe the number of
18 members of the board of directors of the resulting or receiving district, and
19 prescribe the method of forming the board of directors of the resulting or
20 receiving district;

21 (3) The consolidation or annexation plan adopted by the State
22 Board of Education shall be filed with the county clerk of each county that
23 contains territory or a portion of the territory of each affected school
24 district; and

25 (4) All terms and conditions of the consolidation shall be as
26 set forth by the State Board of Education and shall be binding on the school
27 districts and the respective boards of directors.

28 (5) The State Board of Education shall afford the local school
29 districts in a consolidation thirty (30) days to establish an interim local
30 board to govern the resulting district pursuant to § 6-14-1406 until the next
31 school election. If the local school districts fail to establish an interim
32 board, the State Board of Education shall appoint an interim local board to
33 serve until the next elected board assumes office. The number of interim
34 board positions shall be set as allowed by law.

35 ~~(a)(b) Upon a petition to consolidation or annexation:~~

36 ~~(1) Unless an agreement is reached in the consolidation or~~

~~annexation agreement to be different, the effective date of the annexation or consolidation~~ Consolidation shall be the July 1 following the order of the state board directing the annexation or the consolidation, unless the State Board of Education determines otherwise;

~~(b)(2)~~ Each board of directors of the affected districts by majority approval of the members of the local board may enter into a written agreement executed by the former president and secretary of each district. The agreement shall prescribe the date of the annexation of the affected district or districts to the receiving district or the formation of the resulting district from consolidation of affected districts;

~~(e)(3)~~ The agreement shall also prescribe the number of members of the board of directors of the resulting district ~~as provided for in § 6-13-1205 (repealed),~~ as allowed by law; and

~~(d)(4)~~ An executed copy of the agreement shall be filed with the county clerk of each county that contains territory or a portion of the territory of each affected school district.

SECTION 20. Arkansas Code § 6-13-1409 is amended to read as follows:
6-13-1409. State Board of Education.

(a) The State Board of Education shall have the following duties regarding consolidations and annexations:

(1) To form local school districts, change boundary lines of school districts, dissolve school districts and annex the territory of such districts to another district, create new school districts, and perform all other functions regarding changes in school districts in accordance with the law;

(2) To transfer funds and attach territory that is in no school district to other school districts as may seem best for the educational welfare of the children; and

(3) To enact rules and regulations regarding the consolidation and annexation of school districts under this title.

~~(b)(1) Any person being a party to a proceeding before the state board concerning consolidation or annexation who feels aggrieved by any final order or decision of the state board may file a petition for appeal from such a final order or decision, provided, within thirty (30) days from the date of the final order or decision complained of, the person shall:~~

1 ~~(A) Make an affidavit that the appeal taken from such a~~
 2 ~~final order or decision of the state board is not taken for purposes of~~
 3 ~~delay; and~~

4 ~~(B) Enter into a bond with good and sufficient surety~~
 5 ~~thereon in such sum as shall be ordered by the state board, not to exceed~~
 6 ~~twice the amount of property tax revenues involved in the appeal.~~

7 ~~(2) The appeal provided in this section shall be to the Circuit~~
 8 ~~Court of Pulaski County.~~

9 (b) The millage rate of the electors of the affected district shall
 10 remain the same until an election may be held to change the rate of taxation
 11 for the resulting district or receiving district.

12
 13 SECTION 21. Arkansas Code Title 6, Chapter 13, Subchapter 14 is
 14 amended to add an additional section to read as follows:

15 6-13-1410. Appeal and election.

16 The decision of the State Board of Education regarding a consolidation
 17 or annexation shall be final with no further right of appeal except an
 18 aggrieved school district may appeal to circuit court in Pulaski County
 19 pursuant to the Administrative Procedures Act, § 25-15-201, et seq.

20
 21 SECTION 22. Arkansas Code, Title 6, Chapter 20, Subchapter 16 is
 22 repealed.

23 ~~6-20-1601. Purpose.~~

24 ~~The purpose of this subchapter shall be to improve the capacity of~~
 25 ~~local school districts whose students are not achieving at academically~~
 26 ~~desired levels and local school districts in fiscal distress through targeted~~
 27 ~~assistance coordinated by the Department of Education.~~

28
 29 ~~6-20-1602. Definitions.~~

30 ~~(a) For purposes of this subchapter, a "school district in academic~~
 31 ~~distress" shall mean any school district whose students do not score at~~
 32 ~~levels established by the Department of Education on:~~

33 ~~(1) The Arkansas Writing Assessment;~~

34 ~~(2) The Stanford 8 Achievement Test;~~

35 ~~(3) The exit examination administered by the department; or~~

36 ~~(4) Any other test approved by the department.~~

1 ~~(b) For purposes of this subchapter, a "school district in fiscal~~
2 ~~distress" shall mean any school district that:~~

3 ~~(1) Has a steadily declining balance;~~

4 ~~(2) Has not complied with the audit requirements in § 6-20-301~~
5 ~~et seq.;~~

6 ~~(3) Has failed to comply with a statute that automatically~~
7 ~~places the school district in fiscal distress; or~~

8 ~~(4) Has any other fiscal condition deemed to have a detrimental~~
9 ~~negative impact on continuation of educational services.~~

10 ~~All of these determinations for fiscal distress except for subdivision~~
11 ~~(b)(3) of this section shall be as defined by the department through rules~~
12 ~~and regulations promulgated by the State Board of Education.~~

13
14 ~~6-20-1603. Rules and regulations—State Board of Education.~~

15 ~~(a) By March 1, 1996, the State Board of Education shall promulgate~~
16 ~~rules and regulations to establish and implement a program for identifying,~~
17 ~~evaluating, assisting, and addressing school districts in fiscal or academic~~
18 ~~distress.~~

19 ~~(b)(1) The state board shall further promulgate rules and regulations~~
20 ~~by which a school district shall be classified as a Phase I, Phase II, or~~
21 ~~Phase III district and by which a local school board may appeal to the state~~
22 ~~board any ruling by the Department of Education that is relative to~~
23 ~~classification under this subchapter.~~

24 ~~(2) An appeal shall be made within thirty (30) days of the~~
25 ~~ruling, and the state board shall act on the appeal within sixty (60) days.~~

26
27 ~~6-20-1604. Rules and regulations—Department of Education.~~

28 ~~The Department of Education is hereby authorized to develop indicators~~
29 ~~of fiscal distress and academic distress in school districts and to~~
30 ~~promulgate the necessary rules and regulations so that the Director of the~~
31 ~~Department of Education shall provide technical assistance to school~~
32 ~~districts determined by the director to be in fiscal or academic distress and~~
33 ~~shall ensure, to the extent possible, that a fiscal crisis or an academic~~
34 ~~crisis will not interrupt the educational services provided to the students~~
35 ~~of a school district.~~

36

~~6-20-1605. Identification of districts in distress.~~

~~Prior to the beginning of the 1996-1997 school year and each school year thereafter, the Department of Education shall identify all school districts that are in academic or fiscal distress and shall further document any school districts that meet the criteria for academic or fiscal distress but which, after investigation, the department determines are not in academic or fiscal distress.~~

~~6-20-1606. School improvement plan.~~

~~(a) Those school districts identified by the Department of Education as being in academic or fiscal distress shall be classified as Phase I school districts.~~

~~(b)(1)(A) A district classified as a Phase I school district shall develop and file with the department a school improvement plan to address any areas in which the school district is experiencing academic or fiscal distress as identified by the department.~~

~~(B) If a district does not file a school improvement plan with the department, the district shall be immediately classified as a Phase II school district.~~

~~(2) The department shall provide technical assistance to any district classified as a Phase I district.~~

~~(A) The department shall monitor the progress of school districts in Phase I.~~

~~(B) Districts that are implementing school improvement plans shall continue to be classified as Phase I school districts for the remainder of the school year.~~

~~(C) If the department determines that a district is not implementing its school improvement plan according to department regulations, the district shall be immediately classified as a Phase II school district.~~

~~6-20-1607. Classification of school districts in distress.~~

~~(a)(1) During the 1997-1998 school year and each school year thereafter, the Department of Education shall determine which school districts shall be classified as Phase I districts or Phase II districts.~~

~~(2) A school district may be classified a Phase I district for more than one (1) year.~~

1 ~~(b) No Phase I or Phase II district shall incur additional debt~~
2 ~~without the approval of the department.~~

3 ~~(c)(1) During the 1997-1998 school year and each school year~~
4 ~~thereafter, only those districts classified as Phase II districts by the~~
5 ~~Director of the Department of Education shall be required to receive on-site~~
6 ~~technical assistance by a team of educators assigned by the department to~~
7 ~~work directly with the districts.~~

8 ~~(2) During the first six (6) months of the school year in which~~
9 ~~a district is classified as a Phase II district, the department team shall~~
10 ~~evaluate and make recommendations to the district superintendent regarding~~
11 ~~the staffing of the district and concerning fiscal or academic policies or~~
12 ~~practices of the district if necessary to address the fiscal or academic~~
13 ~~distress of the district as defined by the department.~~

14 ~~(3)(A) The recommendations of the department shall be binding on~~
15 ~~the district, the superintendent, and the school board; provided, however,~~
16 ~~that it shall be the duty of the district to follow all Arkansas laws.~~

17 ~~(B) A district classified as a Phase II school district~~
18 ~~that fails to follow recommendations of the department shall be immediately~~
19 ~~classified as a Phase III school district.~~

20 ~~(d) At the conclusion of the 1997-98 school year, and each year~~
21 ~~thereafter, the department shall report the progress of all districts~~
22 ~~classified as Phase II school districts to the State Board of Education.~~

23
24 ~~6-20-1608. Limitation on Department of Education's authority.~~

25 ~~The Department of Education shall not take over the operation of a~~
26 ~~Phase I or Phase II school district.~~

27
28 ~~6-20-1609. Phase III school districts.~~

29 ~~(a) Those school districts that do not meet the Department of~~
30 ~~Education's criteria for repeating procedures set forth for Phase II and~~
31 ~~those districts that did not follow the recommendations of the department for~~
32 ~~Phase II school districts shall be classified as Phase III school districts.~~

33 ~~(b) During the 1998-1999 school year and each year thereafter until~~
34 ~~the school district is no longer classified as a Phase III district, the~~
35 ~~department shall have the following authority in dealing with any district~~
36 ~~classified as a Phase III school district:~~

1 ~~(1) To require the superintendent to relinquish all authority~~
2 ~~with respect to the district, to appoint an individual to operate the~~
3 ~~district under the supervision of the Director of the Department of~~
4 ~~Education, and to compensate non-department employees for operating the~~
5 ~~district using the salary formerly given to the district superintendent;~~

6 ~~(2) To have all the powers and duties of the local school board~~
7 ~~under § 6-13-620;~~

8 ~~(3) To determine that it is in the best interests of the~~
9 ~~students in the district to continue operation of the district or that~~
10 ~~annexation to an adjacent district or districts is necessary;~~

11 ~~(4) To call for the election of a new school board for the~~
12 ~~district, in which case the district shall reimburse the county board of~~
13 ~~election commissioners for election costs as otherwise required by law;~~

14 ~~(5) To allow the district to operate without a local school~~
15 ~~board under the supervision of the local school district administration;~~

16 ~~(6) To turn the administration of the district over to the~~
17 ~~former board or to a newly elected school board; and~~

18 ~~(7) To waive the application of Arkansas law, with the exception~~
19 ~~of §§ 6-17-1501 et seq. and 6-17-1701 et seq. or department rules and~~
20 ~~regulations.~~

21
22 ~~6-20-1610. Annexation—Appeals.~~

23 ~~(a) If it is in the best interests of students in a district~~
24 ~~classified as a Phase III school district to be annexed to another district~~
25 ~~or districts, as determined by the Department of Education, the department~~
26 ~~shall hold a public hearing to discuss the annexation of the district.~~

27 ~~(b) After the public hearing, the State Board of Education may annex~~
28 ~~the district to another district or districts upon a majority vote of the~~
29 ~~members of the state board.~~

30 ~~(c) If the state board annexes the district, the state board shall~~
31 ~~have exclusive authority to determine the boundary lines of the new district~~
32 ~~or districts and to allocate the assets and liabilities of the district.~~

33 ~~(d) Any district that appeals the decision of the state board in~~
34 ~~regard to annexation shall file the appeal in Pulaski County Circuit Court.~~
35 ~~Jurisdiction and venue shall not lie in any other court or the circuit court~~
36 ~~in the county where the administrative office of the district is located.~~

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