

1 State of Arkansas
2 84th General Assembly
3 Second Extraordinary Session, 2003
4

Call Item 4

A Bill

SENATE BILL 28

5 By: Senators Argue, Bisbee, Bryles, Gullett, Baker, Whitaker
6
7

For An Act To Be Entitled

9 AN ACT TO REORGANIZE THE EXISTING PUBLIC
10 EDUCATION SYSTEM; TO ESTABLISH THE POWERS AND
11 TIES OF THE DIRECTORS OF THE PUBLIC EDUCATION
12 SYSTEM; AND FOR OTHER PURPOSES.

Subtitle

15 THE COMPREHENSIVE PUBLIC EDUCATION
16 REORGANIZATION ACT.
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
20

21 WHEREAS, The Arkansas Supreme Court, in the decision of Lake View
22 School District No. 25 v. Huckabee, 351 Ark. 31 (2002) declared the now
23 extant system of public education to be unconstitutional because it is both
24 inequitable and inadequate; and
25

26 WHEREAS, The Arkansas Supreme Court set forth the test for a
27 constitutional system to be one in which the state has an "absolute duty" to
28 provide an "equal opportunity to an adequate education"; and
29

30 WHEREAS, The Arkansas Supreme Court defined an "equal opportunity" to
31 include the "basic components [of] substantially equal curricula,
32 substantially equal facilities, and substantially equal equipment for
33 obtaining an adequate education"; and
34

35 WHEREAS, The Arkansas Supreme Court pointed to discrepancies in teacher
36 salaries finding that "[w]ell paid and well motivated teachers are what make



1 the education engine run”; and

2
 3 WHEREAS, The Arkansas Supreme Court recognized that the Arkansas
 4 General Assembly had “addressed what an adequate education in Arkansas would
 5 entail” through the passage of § 3 of Act 1108 of 1997 and § 1 of Act 1307 of
 6 1997; and

7
 8 WHEREAS, The General Assembly acknowledges that Acts 1108 and 1307 set
 9 forth what Arkansas’ children should be able to know and do, which is the
 10 definition of an adequate education; and

11
 12 WHEREAS, The Arkansas Supreme Court has given the General Assembly
 13 until January 1, 2004, to implement a constitutional education system; and

14
 15 WHEREAS, The State of Arkansas recognizes that it has been the position
 16 of the state that any school district, regardless of size, whose students
 17 consistently exhibited exceptional performances on state, regional, or
 18 national examinations or on other related indicators of academic success
 19 would not be adversely affected by any structure of public education; and

20
 21 WHEREAS, It is the desire of the State of Arkansas to maintain as many
 22 community schools and as much community involvement in public education as
 23 possible; and

24
 25 WHEREAS, The state recognizes that there is no greater indicator of
 26 success in education than the involvement of the parents of students and the
 27 members of the community; and

28
 29 WHEREAS, Multiple studies of education and education efficiency have
 30 determined that there are better ways of delivering an education system than
 31 the one that currently exists in Arkansas; and

32
 33 WHEREAS, The state is acutely aware of financial and monetary
 34 restraints that have been placed on it by both the current state of the
 35 economy and the Constitution of the State of Arkansas; and

36

1 WHEREAS, The state has to find an efficient method to use its limited
2 resources to create a system of public education as defined by Article 14, as
3 amended, of the Arkansas Constitution,
4

5 NOW THEREFORE,

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
7

8 SECTION 1. Legislative purpose.

9 The General Assembly declares that this act is necessary to:

10 (1) Ensure the delivery of an equal opportunity for an adequate
11 education to the people of Arkansas in an efficient and effective manner;

12 (2) Provide education accountability at all levels of public
13 school education, including, but not limited to, student performance, teacher
14 performance, administrative performance, and overall school performance; and

15 (3) Develop a teacher compensation structure which enables the
16 State of Arkansas to compete both regionally and nationally in initial hiring
17 and retention of top quality teachers.
18

19 SECTION 2. Creation of the Office of Public School Accountability.

20 (a)(1) To enhance the public's access to public school performance
21 indicators and to better measure the benefits of the increasing public
22 investment in Arkansas' schools, the General Assembly finds that an Office of
23 Public School Accountability shall be established under the direct
24 operational control of the State Board of Education.

25 (2) The foremost obligation of the accountability office shall
26 be to administer all monitoring and compliance activities dealing with
27 academic and fiscal accountability for each school or school district and
28 report academic progress.

29 (b) There is created an Office of Public School Accountability, which
30 shall begin operation within one hundred twenty (120) calendar days following
31 the effective date of this act.

32 (c) The office shall be under the supervision of the state board.

33 (d) The Chair of the State Board of Education shall name a three
34 member Public School Accountability Oversight Panel consisting of the
35 following individuals:

36 (1) Chair of the state board; and

1 (2) Two (2) members of the state board.

2 (e)(1) The panel shall select an individual to serve as the Public
3 School Accountability Director.

4 (2) The director, with guidance and approval from the panel,
5 shall be responsible for hiring all employees of the office.

6 (f) The office shall have the following responsibilities:

7 (1) Monitor schools for compliance with state and federal
8 regulations;

9 (2) Monitor schools for compliance with legislative acts and
10 court-ordered mandates;

11 (3) Monitor schools for compliance with all standards of
12 learning and accreditation as established by the state board;

13 (4) Monitor schools for compliance with all rules and
14 regulations as established by the state board;

15 (5) Coordinate the analysis, dissemination, and reporting of all
16 criterion and norm-referenced testing information;

17 (6) Coordinate the implementation and administration of
18 longitudinal tracking and trend data collection as established by the state
19 board for the purposes of improving student and school performance, ensuring
20 mastery of the curriculum, and providing comparison between students within
21 Arkansas and with students in other states;

22 (7) Coordinate the implementation and administration of value-
23 added assessments as established by the state board;

24 (8) Coordinate the implementation and administration of the
25 annual school performance reports as established by the state board;

26 (9) Administer all monitoring and compliance activities dealing
27 with academic and fiscal accountability as established by the state board;
28 and

29 (10) Work with program approval and certification sections of
30 the Arkansas Department of Education, the Arkansas Department of Higher
31 Education, the Arkansas Department of Workforce Education, and the individual
32 colleges to provide information that will contribute to reasonable,
33 equitable, and excellent preparation of certified personnel in the
34 institutions, both public and private, of higher education.

35 (g)(1) The office shall provide annual reports of school performance
36 or compliance to the Joint Interim Oversight Committee on Education Reform,

1 the House Interim Committee on Education, and the Senate Interim Committee on
2 Education.

3 (2) A preliminary report shall be provided by January 1 each
4 year and a follow-up report that includes information regarding on-site
5 visits shall be filed by June 1 each year.

6 (h)(1) There is created the Arkansas Public Schools Accountability
7 Advisory Council that shall begin operation within one hundred (120) calendar
8 days following the effective date of this act. The membership of the council
9 shall include:

10 (A) One (1) member designated as chair, to be selected by
11 the Governor, who shall be a representative of Arkansas businesses;

12 (B) One (1) member selected by the Governor, who shall be
13 a representative of a educator's union in the state of Arkansas;

14 (C) One (1) member selected by the Governor, who shall be
15 a parent of at least one (1) student currently enrolled in grades
16 kindergarten through twelve (K-12) in a public school in the State of
17 Arkansas;

18 (D) One (1) member selected by the Speaker of the House of
19 Representatives who shall be a representative of higher education;

20 (E) One (1) member appointed by the President Pro Tempore
21 of the Senate who shall be a representative of Arkansas businesses;

22 (F) One (1) member appointed by the chairperson of the
23 Senate Committee on Education who is currently employed as a teacher in the
24 grades kindergarten through twelve (K-12) public school system in the State
25 of Arkansas; and

26 (G)(1) One (1) member appointed by the chair of the House
27 Committee on Education who shall be a representative of the administration of
28 a public school in the State of Arkansas.

29 (2) The council shall provide advice and consultation services
30 for the director.

31 (3) The council may be convened by the chair of the council, by
32 the chair of the state board, or by the director.

33 (4) Members shall not receive compensation for service on the
34 council but may receive expense reimbursement as provided in Arkansas Code
35 §25-16-902.

36

1 SECTION 3. Creation Office of the Office of Public School Academic
2 Facilities.

3 (a) In order to ensure that substantially equal access to adequate
4 educational facilities and educational equipment is provided for all public
5 school students in Arkansas, the General Assembly finds that an Office of
6 Public School Academic Facilities should be established under the direct
7 supervision of the State Board of Education.

8 (b) There is created an Office of Public School Academic Facilities
9 which shall begin operation within one hundred twenty (120) calendar days
10 following the effective date of this act.

11 (c) The Office of Public School Academic Facilities shall be under the
12 supervision of the state board and shall report directly to the Public School
13 Academic Facilities Oversight Panel.

14 (d) The chair of the state board shall name a three-member Public
15 School Academic Facilities Oversight Panel consisting of the following
16 individuals:

17 (1) Chair of the state board; and

18 (2) Two (2) members of the state board.

19 (e)(1) The panel shall select an individual to serve as the Public
20 School Academic Facilities Director.

21 (2) The Public School Academic Facilities Director shall be an
22 architect that is licensed by the State of Arkansas.

23 (3) The Public School Academic Facilities Director, with
24 guidance and approval from the panel, shall be responsible for hiring all
25 employees of the Office of Public School.

26 (f) The Executive Chief Information Officer shall assign one (1)
27 individual from the staff of the Office of Information Technology to serve as
28 a technology liaison to the Public Schools Academic Facilities Office.

29 (g) The Director of the Arkansas Building Authority shall assign one
30 (1) individual from the staff of the Arkansas Building Authority to serve as
31 a physical plant liaison to the Public Schools Academic Facilities Director.

32 (h) The Office of Public Schools Academic Facilities shall:

33 (1) Provide information or assistance to the Joint Committee on
34 Educational Facilities created by Act 1181 of 2003 as requested by the joint
35 committee;

36 (2) Use any recommendation or assessments of the joint committee

1 or the General Assembly as a basis for establishing the policies and
2 procedures of the Office of Public Schools Academic Facilities; and

3 (3) Provide assistance, as requested, to the Joint Committee on
4 Educational Facilities in conducting an assessment of all school facilities
5 in the state and continue to update and maintain current assessments of all
6 school facilities after the expiration of the joint committee on December 31,
7 2004.

8 (i)(1) Beginning January 1, 2005, school districts shall provide to
9 the Office of Public Schools Academic Facilities, on a quarterly basis, a
10 list of any public school academic facility repair or improvement needed in
11 excess of five thousand dollars (\$5,000), new construction proposed in excess
12 of twenty-five thousand dollars (\$25,000), or technology needs in excess of
13 ten thousand dollars (\$10,000).

14 (2) The Public School Academic Facilities Director shall create
15 and implement a standardized reporting format and select the method to be
16 utilized by school districts in the preparation and submission of the list to
17 the Office of Public Schools Academic Facilities.

18 (3) The data gathered from the reports generated by the school
19 districts shall be presented to the state board for compilation into an
20 annual report to the Governor and the House Interim Committee on Education
21 and the Senate Interim Committee on Education on the facilities needs in the
22 state.

23 (4) The Office of Public Schools Academic Facilities shall
24 conduct any reviews, site visits, and other research during the year to
25 assist in preparation of the annual report.

26 (j)(1) The Public Schools Academic Facilities Director shall provide
27 to the Governor and the House Interim Committee on Education and the Senate
28 Interim Committee on Education reports on the public facilities status
29 including the facilities and technologies needs and priorities for each
30 category.

31 (2) A preliminary report shall be provided by January 1 each
32 year and a follow-up report that includes information regarding on-site
33 visits shall be filed by June 1 each year.

34 (k)(1)(A) No later than September 30 of each even-numbered year of the
35 biennium, the panel shall present to the state board the list of public
36 school facility repairs, improvements, and construction along with technology

1 improvements that the panel recommends for the next biennium.

2 (B) Copies of the list shall be provided to the Governor
3 and the House Interim Committee on Education and the Senate Interim Committee
4 on Education.

5 (2) The state board shall prioritize funding for public school
6 facility repairs, improvements, and construction along with technology
7 improvements based on the recommendations of the panel.

8 (1) The state board and the Public Schools Academic Facilities Office
9 shall develop, by rule and regulation, the process for developing the list of
10 public school facility repairs, improvements, and construction along with
11 technology improvements necessary under this act.

12
13 SECTION 4. Creation of the Office of Education Renewal Zones.

14 (a) There is created an Office of Education Renewal Zones.

15 (b) The office shall be under the supervision of the State Board of
16 Education.

17 (c) The Chairman of the State Board shall name a three (3) member
18 Public School Education Renewal Zones Oversight Panel consisting of the
19 following individuals:

20 (1) Chairman of the state board; and

21 (2) Two (2) members of the state board.

22 (d)(1) The panel shall select an individual to serve as the Public
23 School Education Renewal Zones Director.

24 (2) The Public School Education Renewal Zones Director, with
25 guidance and approval from the panel, shall be responsible for hiring all
26 employees of the office.

27 (3) The Director of the Arkansas Department of Higher Education
28 shall assign one (1) individual from the staff of the Department of Higher
29 Education to serve as a liaison to the office.

30 (e) The office shall be responsible for developing guidelines for the
31 approval of education renewal zone strategic plans and guidelines for the
32 evaluation and reporting of education renewal zone activities.

33 (f) The office shall approve any education renewal zone strategic plan
34 prior to the disbursement or annual renewal of funds to participating
35 institutions of higher education.

36 (g)(1) Effective July 1, 2004, any public school, education service

1 cooperative and institution of higher education is authorized to enter into
2 one (1) or more inter-local agreements through which they collaborate to
3 improve public school performance and academic achievement.

4 (2) Each inter-local agreement shall establish an education
5 renewal zone.

6 (3) The purpose of an education renewal zone shall be to:

7 (A) Identify and implement education and management
8 strategies designed specifically to improve public school performance and
9 student academic achievement throughout the State of Arkansas, with special
10 focus on the state's most academically distressed public schools;

11 (B) Provide for collaboration among the state's smaller
12 schools and districts in order to achieve some of the advantages of economies
13 of scale in providing educational and related activities;

14 (C) Maximize benefits and outcomes of public schooling by
15 concentrating and coordinating the resources of Arkansas's higher education
16 institutions, the expertise of the regional education service centers, and
17 the technical assistance of other service providers to improve public school
18 performance and student academic achievement; and

19 (D) Enable small, rural and low-wealth schools to make the
20 best use of the latest cost-effective distance learning technology to enhance
21 curricula and professional development through two-way interactive learning
22 environments.

23 (h) Each education renewal zone shall consist of the following:

24 (1) Higher education partner;

25 (A) The office shall develop, publish and disseminate
26 guidelines for establishing an education renewal zone, including a process
27 for selecting a qualified education renewal zone higher education partner in
28 the fifteen educational service cooperative areas in the state and in Pulaski
29 County.

30 (B) A qualified higher education institution shall meet
31 the following minimum requirements:

32 (i) A school, a department of education, or

33 (ii) A comprehensive four-year teacher preparation
34 program; and

35 (iii) Be capable of demonstrating a willingness and
36 flexibility to restructure its programs and services to meet the needs of the

1 participating grades kindergarten through twelve (K-12) schools and school
2 districts.

3 (iv) The office shall give preference to qualified
4 four-year higher education institutions located within the educational
5 service cooperative area.

6 (C) In the event that there is no qualified four-year
7 higher education institution located within the education service center
8 area, the office may select:

9 (i) A two-year higher education institution that, in
10 collaboration with a qualified four-year educational institution located in
11 another education service center area, provides a comprehensive four-year
12 teacher preparation program; or

13 (ii) A qualified higher education institution
14 located in another educational service cooperative area.

15 (iii) An institution of higher education may serve
16 as the higher education partner for more than one educational service
17 cooperative area;

18 (2)(A) Education Service Cooperative.

19 (B) The education service cooperative shall be a full
20 partner in planning, implementing, and evaluating the education renewal zone
21 in its respective service area and shall provide direct services as called
22 for in the education renewal zone plan;

23 (3) Public Schools.

24 (A) Public schools may participate in an education renewal
25 zone upon successful application by the public school district of which the
26 school is a part.

27 (B) The application for admission to the education renewal
28 zone shall be submitted to the office at a time and in a manner as prescribed
29 via rule or standard by the office.

30 (i) Acceptance or rejection of the application by a
31 school for admittance to an education renewal zone shall be the
32 responsibility of the office, with consultation from the Higher Education
33 Partner.

34 (ii) The office may include within an education
35 renewal zone any school within the Education Service Center area provided
36 that no more than ten (10) schools may participate in any single education

1 renewal zone.

2 (iii) The office may designate up to a maximum of
 3 three (3) education renewal zones within any single Education Service Center
 4 area.

5 (C) In designating education renewal zones and selecting
 6 schools for participation in a particular zone, the office shall give
 7 priority to schools that meet one or more of the following criteria:

8 (i) The school is classified as "School Improvement
 9 Schools" or "Alert Status for School Improvement" under the Arkansas state
 10 compliance plan under the federal Elementary and Secondary Education Act of
 11 2002, the No Child Left Behind Act.

12 (ii) The school lies within a school district
 13 classified as in "Academic Distress" or "Financial Distress" under the
 14 Arkansas Comprehensive Testing, Assessment, and Accountability Program.

15 (iii) The school demonstrates an inability to hire
 16 and retain highly qualified teachers as defined by the state plan for
 17 compliance with the No Child Left Behind Act.

18 (iv) The school demonstrates an inability to provide
 19 the minimum number of course offerings as determined by the state through the
 20 conventional hiring of qualified teachers.

21 (v) The school is within a school district with an
 22 average daily membership of fewer than one thousand five hundred (1,500)
 23 students.

24 (vi) The school serves a student population that
 25 exceeds the average rate of participation in free or reduced price lunch
 26 programs.

27 (4) Local Advisory Group.

28 (A) Each education renewal zone shall form a local
 29 advisory group comprised of a representative of the following groups:

30 (i) The Higher Education Institution Partner

31 (ii) The Education Service Center which includes the
 32 area in which the education renewal zone is located

33 (iii) The public school or school district
 34 participating in the education renewal zone.

35 (iv) Each community in which there is a school
 36 participating in the education renewal zone.

1 (B) The office may designate up to a maximum of three (3)
2 education renewal zones within any single Education Service Center area.

3 (5) Technical Assistance Provider. Any two-year community or
4 technical college, technical support organization, or other entity may
5 participate in the education renewal zone at the discretion of the office and
6 in collaboration with a designated Higher Education Institution Partner and a
7 designated education service cooperative.

8 (i) The office, the state board and the local school districts shall
9 exercise due diligence to assure that all schools classified as “School
10 Improvement Schools” under the No Child Left Behind Act are included in a
11 designated education renewal zone.

12 (j) The office may, at its discretion, include any school regardless
13 of its eligibility under the foregoing criteria, if it determines that on the
14 basis of location, characteristics of its faculty or leadership, needs of the
15 students, or other factors, in the judgment of the office, that the inclusion
16 of such school significantly strengthens the prospect of the education
17 renewal zone in meeting its school improvement goals.

18 (k) The office may, at its discretion, change participating schools
19 within each education renewal zone.

20 (l)(1) Each school participating in an education renewal zone shall
21 develop and implement a school improvement plan.

22 (2) Each school improvement plan shall at a minimum include the
23 following:

24 (A) Goals for improving student achievement;

25 (B) Measurable benchmarks for achieving student
26 improvement goals;

27 (C) A timeline for reaching goals in improving student
28 achievement; and

29 (D) Requirements for services to be provided by the
30 Education Renewal Zone Partners.

31 (m) The partners within a specific education renewal zone shall
32 develop a strategic plan that is responsive to the needs of the individual
33 school improvement plans.

34 (n) The education renewal zone strategic plan shall at a minimum
35 provide for the following:

36 (A) Collaboration between and among the higher education

1 institution partners, education service centers, schools and communities
2 participating in the education renewal zone, including within the academic
3 departments within the higher education institution partners;

4 (B) A comprehensive program of professional development to
5 assure the practical knowledge base of pre-service and in-service teachers
6 with respect to pedagogical practice, content knowledge, and competent use of
7 distance learning technology;

8 (C) Enhancement and expansion of local school curricula
9 offerings through the use of two-way interactive television to include
10 advanced placement, dual-credit and advanced high school courses;

11 (D) The sharing of faculty for core course offerings when
12 schools are unable to hire highly-qualified teachers in core subject areas
13 required for college entrance or teachers necessary to meet state
14 accreditation standards;

15 (E) A strategy to recruit and retain highly-qualified
16 teachers with particular focus on hard-to-staff schools;

17 (F) A system for mentoring teachers with three (3) or
18 fewer years of professional service;

19 (G) Active participation of the community in the work of
20 the school;

21 (H) Active involvement of parents in the academic work of
22 the student; and

23 (I) A means of collecting the data necessary to evaluate
24 the progress of each participating public school and the education renewal
25 zone in its entirety.

26 (o) Each education renewal zone, using guidelines and indicators set
27 by the office, shall prepare an annual report to the office describing the
28 progress toward accomplishing the goals of the education renewal zone.

29 (p) The office, under guidance and direction of the office Oversight
30 panel of the state board, shall prepare an annual report to the Governor, the
31 General Assembly, and the Arkansas State Board of Education describing the
32 progress toward accomplishing the goals of the individual education renewal
33 zones and the overall education renewal zone program.

34 (q) The office shall establish a website, accessible by the public, to
35 provide for broad dissemination of both the education renewal zone plans and
36 strategies and the results of the annual reports on progress toward

1 accomplishing the goals of the individual education renewal zones and the
 2 overall education renewal zone program.

3
 4 SECTION 5. Arkansas Code § 6-11-101 (b), concerning State Board of
 5 Education Members, is amended as follows:

6 (b)(1) The term of office of a member of the board, appointed prior to
 7 the effective date of this act of 2003, shall be six (6) years.

8 (2)(A) The term of office of a member of the state board,
 9 appointed after the effective date of this act of 2003, shall be a single
 10 ten-year term.

11 (B) Any member appointed to the state board to fill a
 12 vacancy for an uncompleted term with fewer than two (2) years remaining on
 13 the original term, may be reappointed to an additional ten-year term.

14 (3) No member shall be allowed to resign in order to be
 15 appointed to a different ten-year or fewer term on the board.

16 (4) Nothing in this section shall be construed to change the
 17 terms of any member of the state board that was appointed prior to the
 18 effective date of this section.

19
 20 SECTION 6. Arkansas Code § 6-11-118 is repealed.

21 ~~6-11-118. Office of Rural Services. Effective July 1, 2000.~~

22 ~~(a) This section shall be known as the "Rural Services Act of 1981".~~

23 ~~(b) The General Assembly recognizes that Arkansas Constitution,~~
 24 ~~Article 14, requires the state to provide a general, suitable, and efficient~~
 25 ~~system of free public schools and that the Department of Education is~~
 26 ~~legislatively created to help provide these schools. The General Assembly~~
 27 ~~further recognizes the need for effective aid and assistance to the smaller~~
 28 ~~rural school districts of the state and that under the present structure of~~
 29 ~~the department such aid and assistance is not adequate.~~

30 ~~(c)(1) There is created the Office of Rural Services in the~~
 31 ~~department.~~

32 ~~(2) The Director of the Department of Education shall establish~~
 33 ~~a coordinator in the office.~~

34 ~~(3) The duties of this office shall be to:~~

35 ~~(A) Direct programs to improve the quality of the rural~~
 36 ~~schools of the state by helping to deliver comprehensive technical assistance~~

1 ~~services such as curriculum development, teaching methods evaluations,~~
 2 ~~program development, planning, needs assessments, etc.;~~

3 ~~(B) Help develop teacher training programs that fit the~~
 4 ~~needs of rural students;~~

5 ~~(C) Develop and conduct in-service education programs for~~
 6 ~~rural teachers, administrators, and county board of education members;~~

7 ~~(D) Act as liaison between rural education and rural~~
 8 ~~development activities;~~

9 ~~(E) Assist rural districts in developing rural resource~~
 10 ~~cooperatives in order that rural schools can share a pool of specialized~~
 11 ~~human, material, and technical resources;~~

12 ~~(F) Assist rural schools in construction and renovation~~
 13 ~~programs;~~

14 ~~(G) Identify and create an awareness of promising~~
 15 ~~practices of rural schools throughout the state and nation;~~

16 ~~(H) Serve as liaison between the department and the small~~
 17 ~~schools; and~~

18 ~~(I) Coordinate all other activities especially for small~~
 19 ~~schools and collect such data as are needed by the General Assembly in order~~
 20 ~~that rural schools may be properly financed.~~

21 ~~(4) The office shall answer directly to the director.~~

22 ~~(d) For the purpose of this section, the term "rural school" shall be~~
 23 ~~interchangeable with the term "small high school" and shall include those~~
 24 ~~schools with enrollments of five hundred (500) or fewer in kindergarten~~
 25 ~~through grade twelve (K-12). Schools with enrollments of five hundred (500)~~
 26 ~~to seven hundred fifty (750) shall also be served by this office if they are~~
 27 ~~in unincorporated areas and if the superintendent requests that the school~~
 28 ~~become a part of the area for which this office is responsible.~~

30 SECTION 7. Arkansas Code Title 6, Chapter 13, is amended to add an
 31 additional subchapter to read as follows:

32 6-13-1601. Consolidation list.

33 (a)(1) For purposes of this subchapter, "average daily membership"
 34 means the total number of days attended plus the total number of days absent
 35 by students in grades kindergarten through twelve (K-12) during the first
 36 three (3) quarters of each school year divided by the number of school days

1 actually taught in the district during that period of time rounded up to the
 2 nearest hundredth.

3 (2) As applied to this subchapter, students who may be counted
 4 for average daily membership are:

5 (A) Students who reside within the boundaries of the
 6 school district and who are enrolled in a public school operated by the
 7 district or a private school for special education students, with their
 8 attendance resulting from a written tuition agreement approved by the
 9 Department of Education;

10 (B) Legally transferred students living outside the
 11 district but attending a public school in the district; and

12 (C) Students who reside within the boundaries of the
 13 school district and who are enrolled in the Arkansas National Guard Youth
 14 Challenge Program, so long as the students are participants in the program.

15 (b) By February 1, 2004, and each February 1 thereafter, the
 16 department shall publish a consolidation list that includes all school
 17 districts with fewer than five hundred (500) students per the district's
 18 average daily membership in both of the two (2) school years immediately
 19 preceding the current school year.

20
 21 6-13-1602. Voluntary reorganization.

22 (a)(1)(A) Any school district included in the Department of
 23 Education's consolidation list may voluntarily agree to consolidate with or
 24 be annexed to another district.

25 (B) Any school district on the consolidation list choosing
 26 to voluntarily consolidate or annex shall submit a plan for approval to the
 27 State Board of Education by April 1 immediately following publication of the
 28 list and shall set forth the terms of the consolidation or annexation
 29 agreement in the plan.

30 (2) Any school district on the consolidation list that does not
 31 submit a consolidation or an annexation plan to the state board and does not
 32 receive approval of the plan, shall be consolidated or annexed by the state
 33 board effective on July 1, immediately following publication of the list.

34 (b) Any school district required to be consolidated or annexed under
 35 this subchapter shall be consolidated or annexed in such a manner as to
 36 create:

1 (1) A resulting district with an average daily membership
 2 meeting or exceeding seven hundred (700); or

3 (2) A countywide district.

4 (c)(1) All consolidations or mergers under this section shall be in
 5 compliance with § 6-13-1401 et seq., except the State Board of Education
 6 shall need no additional authority to effectuate the requirements of this
 7 act.

8 (2) In the annexed or consolidated school districts created
 9 under this act, the tax millage rate shall be determined as set forth under §
 10 6-13-1409(b).

11 (d) Nothing in this section shall be construed to require the closing
 12 of any grades kindergarten through eight (K-8) school facilities.

13
 14 SECTION 8. Arkansas Code Title 6, Chapter 20, Subchapter 6 is amended
 15 to add an additional section to read as follows:

16 6-20-602. Isolated districts.

17 (a) Prior to reorganization of a district under this act, the state
 18 board shall declare a school to be "isolated", if the school's district meets
 19 the following criteria:

20 (1) There is a distance of nineteen (19) miles or more by hard-
 21 surfaced highway from the high school of the district to the nearest adjacent
 22 high school in an adjoining district; and

23 (2) The density ratio of transported students is less than three
 24 (3) students per square mile of area.

25 (b) Any school qualifying as an isolated school under this section that
 26 is in school district subject to consolidation, annexation, or reorganization
 27 under this act shall remain open under the resulting district.

28 (c) The resulting district shall be entitled to funding for isolated
 29 schools as provided by law.

30
 31 SECTION 9. Arkansas Code § 6-20-601 is repealed.

32 ~~6-20-601. Qualifications for receiving isolated funding.~~

33 ~~(a) As used in this section, "isolated school district" means a school~~
 34 ~~district that meets any four (4) of the following five (5) criteria:~~

35 ~~(1) There is a distance of twelve (12) miles or more by hard-surfaced~~
 36 ~~highway from the high school of the district to the nearest adjacent high~~

1 school in an adjoining district;

2 (2) ~~The density ratio of transported students is less than three~~
3 ~~(3) students per square mile of area;~~

4 (3) ~~The total area of the district is ninety five square miles~~
5 ~~(95 sq. mi.) or greater;~~

6 (4) ~~Less than fifty percent (50%) of bus route miles is on hard-~~
7 ~~surfaced roads; and~~

8 (5) ~~There are geographic barriers such as lakes, rivers, and~~
9 ~~mountain ranges which would impede travel to schools that otherwise would be~~
10 ~~appropriate for consolidation, cooperative programs, and shared services.~~

11 (b) ~~An isolated school district shall be eligible to receive isolated~~
12 ~~funding if:~~

13 (1) ~~The district's budget is prepared by the local district with~~
14 ~~Department of Education approval;~~

15 (2) ~~The district has an average daily membership of less than~~
16 ~~three hundred fifty (350); and~~

17 (3) ~~The district meets the minimum standards for accreditation~~
18 ~~of public schools prescribed by law and regulation.~~

19 (c) ~~Any school district designated as an isolated school district for~~
20 ~~the 1996-1997 fiscal year that used geographic barriers as one (1) of the~~
21 ~~four (4) criteria necessary to receive isolated funding shall be allowed to~~
22 ~~continue to use geographic barriers as a criterion for future allocations of~~
23 ~~isolated funding.~~

24 (d)(1) ~~State financial aid in the form of isolated funding shall be~~
25 ~~provided to local school districts qualifying under this section and shall be~~
26 ~~calculated as follows:~~

27
28 ~~(350 Previous year's average daily membership) divided by eight~~
29 ~~hundred fifty (850) times the previous year's average daily membership times~~
30 ~~the base local revenue per student.~~

31 (2) ~~There shall be two (2) categories of isolated funding:~~

32 (A) ~~Category I isolated funding shall be provided to all~~
33 ~~school districts that qualify under this section; and~~

34 (B) ~~Category II isolated funding shall be further provided~~
35 ~~to those school districts that qualify under this section and have an average~~
36 ~~daily membership density ratio of less than 1.2 students per square mile and~~

1 shall be calculated at fifty percent (50%) of Category I funding.

2 (3) ~~Those school districts that qualify under this section and~~
3 ~~whose local revenue per student exceeds the base local revenue per student~~
4 ~~shall receive isolated funding calculated as follows:—(Category I plus~~
5 ~~Category II) minus (base local revenue per student minus local revenue per~~
6 ~~student) times the previous year's average daily membership.~~

7 (4) ~~In the event that the statewide amount for isolated funding~~
8 ~~calculated pursuant to this section is less than the amount appropriated for~~
9 ~~isolated funding, the State Board of Education may include a funding factor~~
10 ~~in the calculation in § 6-20-303(14)(A) in order to expend up to the~~
11 ~~appropriated amount.~~

12 (e) ~~No school district which may qualify under other law to receive~~
13 ~~additional state aid because its average daily membership is less than three~~
14 ~~hundred fifty (350) shall be eligible to receive funding under this section~~
15 ~~except that a district qualifying under other law for such aid and~~
16 ~~qualifying for funds under this section may elect to receive funds under this~~
17 ~~section in lieu of aid under the other.~~

18
19 SECTION 10. Arkansas Code §§ 6-13-906 and 6-13-907 are amended to read
20 as follows:

21 6-13-905. Board of directors.

22 (a) Each cooperative ~~will~~ shall be governed by a board of directors,
23 ~~consisting of one representative appointed by the board of directors of each~~
24 ~~cooperating school district.~~

25 (b)(1) The directors of the cooperatives shall collective develop a
26 system by which the board of directors for each cooperative are appointed so
27 that the board is made up of one representative appointed by the board of
28 directors of each cooperating school district.

29 (2) The representatives of the cooperating districts shall
30 include:

31 (A) Two (2) classroom teachers;

32 (B) Two (2) members of school boards of cooperating
33 districts;

34 (C) Two (2) members representative of the business
35 community;

36 (D) One (1) parent; and

1 (E) Other representatives as selected by the local board
 2 of directors of each cooperating school district.

3 (3) No cooperative board of directors shall have as majority of
 4 its membership made up of superintendents school district.

5 (b) The board shall be empowered to hire a director and other
 6 employees and to contract for services, supplies, and equipment.

7 (c) Policies for the operation of the cooperative will be developed by
 8 the board of directors and be filed with the Department of Education as
 9 required by law of school districts generally.

10
 11 6-13-906. Rules, regulations, and reports.

12 (a) ~~The cooperatives will~~ director of a cooperative and the board of
 13 directors of a cooperative shall:

14 (1) Abide by all rules and regulations of the Department of
 15 Education which apply to school districts generally; ~~and~~

16 (2) Make all reports as required by law and regulation which
 17 apply to school districts generally to the department-;

18 (3) Administer the programs and services of the cooperative;

19 (4) Direct expenditures of funds within the cooperative's
 20 budget;

21 (5) Receive and expend funds needed to provide programs and
 22 services to school districts in the area;

23 (6) Secure and maintain facilities as are required to provide
 24 authorized programs and services;

25 (7) Supply any and all information and reports requested by the
 26 Director of the Department of Education in a timely manner; and

27 (8) Perform other duties as required by the Director of the
 28 Department of Education and the policies, rules, and regulations of the State
 29 Board of Education.

30 (b)(1) Records of the expenditures and receipts of the cooperatives
 31 shall be kept in such manner and on such forms as may be specified by the
 32 department or the School Audit Section of the Division of Legislative Audit
 33 of the Legislative Joint Auditing Committee.

34 (2) Reports on expenditures and receipts shall be made for the
 35 cooperative as a single agency or shall be made separately by the school
 36 districts to reflect the status of each member district at such time and in

1 such manner as specified by the department.

2 (c) Any member of a board of directors of a cooperative or director of
 3 a cooperative holding a license issued by the State Board of Education who
 4 fails to comply with subsection (a) of this section, may have his or her
 5 license revoked or suspended.

6
 7 SECTION 11. Effective July 1, 2004, Arkansas Code § 6-13-1010 is
 8 amended to read as follows:

9 6-13-1010. Director.

10 (a) Each education service cooperative shall be administered by a
 11 director who shall perform the following duties:

12 (1) Administer the programs and services of the education
 13 service cooperative;

14 (2) Recommend the employment of professional and nonprofessional
 15 personnel authorized by the education service cooperative's governing body;

16 (3) Prepare the budget for adoption by the education service
 17 cooperative's governing body;

18 (4) Direct expenditures of funds within the budget; ~~and~~

19 (5) Perform other duties as required by the education service
 20 cooperative's governing body and the policies, rules, and regulations of the
 21 State Board of Education-;

22 (6) Supply any and all information and reports requested by the
 23 Director of the Department of Education in a timely manner; and

24 (7) Perform other duties as required by the Director of the
 25 Department of Education and the policies, rules, and regulations of the State
 26 Board of Education.

27 (b) The director of each education service cooperative shall:

28 (1) Hold an administrator's certificate and meet all
 29 requirements to serve as a superintendent of schools in the State of
 30 Arkansas; or

31 (2) Have an alternative learning environment level of education
 32 and administrative experience and obtain the approval of the board.

33 (c) The governing body of any education service cooperative may enter
 34 into a contract with a director for a period not to exceed three (3) years.

35
 36 SECTION 12. Arkansas Code Title 6, Chapter 13 Subsection 10, is

1 amended to add an additional section to read as follows:

2 6-13-1027. Education service cooperative – Personnel.

3 (a) The director of each education service cooperative shall hire
4 qualified personnel as may be needed to fulfill the purposes of the education
5 service center.

6 (b) No employee of the education service cooperative shall be related
7 within the second degree of consanguinity or affinity to the director of the
8 cooperative or any member of the board of directors of the education service
9 cooperative.

10
11 SECTION 13. Arkansas Code Title 6, Chapter 13, Subchapter 16 is
12 amended to add an additional section to read as follows:

13 6-13-1605. Education service cooperatives – Professional development
14 center.

15 (a) Each education service cooperative shall establish a professional
16 development center that will provide curriculum development assistance,
17 educational materials, and professional development services to educators,
18 parents, and other community groups within the school districts in the
19 service area or to other entities.

20 (b) A professional development coordinator, who shall report to the
21 director of the education service center, shall manage the professional
22 development center.

23 (c) Each professional development center shall develop, maintain, and
24 deliver services to improve student, school, and school district academic
25 performance and to implement initiatives identified by the Director of the
26 Department of Education.

27 (d)(1)(A) Each Professional Development Center shall develop a
28 professional development plan.

29 (B) The plan shall be based on the requirements within the
30 Professional Development Rules and Regulations, State Board of Education
31 priorities, student achievement data, and the school improvement plans of the
32 member school districts.

33 (2) Improvement of student achievement shall be the prerequisite
34 goal of all professional development.

35 (3) The plan shall include the purposes and descriptions of
36 services the professional development center shall provide to schools in

1 school improvement and the other schools or entities served by the center.

2 (4)(A) Teachers, administrators, and classified school employees
 3 shall be involved in the design, implementation, and evaluation of the
 4 professional development offerings.

5 (B) The evaluation results shall be given to each group of
 6 employees and used for continuing improvement.

7 (e) Each professional development center shall annually report to the
 8 Director of the Department of Education regarding professional development
 9 activities for the previous year as required by the department.

10 (f) Each professional development center shall provide for the
 11 services of a mathematics specialist, literacy specialist, instructional
 12 technology specialist, and other specialists, including, but not limited to,
 13 gifted and talented, dropout prevention, special education, early childhood,
 14 as identified and required by the department, with special attention and
 15 additional services provided to those schools and school districts with high
 16 concentrations of low-income families or students from low-income families as
 17 indicated by eligibility for the free or reduced-price lunch program under
 18 the National School Lunch Act or any other act of the United States Congress,
 19 in existence on January 1, 2003.

20
 21 SECTION 14. Arkansas Code Title 6, Chapter 17, Subchapter 2 is amended
 22 to add an additional section to read as follows:

23 6-17-211. Interim personnel policy committees.

24 (a) For purposes of this section the following definitions shall
 25 apply:

26 (1) "Consolidation" means any reorganization of a school
 27 district effective on or before July 1, 2004, either voluntarily under §6-13-
 28 1401 et seq., or involuntary under this section;

29 (2) "Interim school board" means:

30 (A) The temporary school board governing a school district
 31 under this act; or

32 (B) In the event of a voluntary consolidation under §6-13-
 33 1401 et seq., a board consisting of the presidents of the school district
 34 boards of directors of the school districts to be consolidated, which shall
 35 be formed for the purpose of reviewing and adopting a uniform set of policies
 36 under this section; and

1 (3) "New school district" means the resulting school district
2 after consolidation.

3 (b)(1) As soon as possible after the school boards or the qualified
4 electors of the school districts agree to be consolidated, or as soon as
5 possible after the State Board of Education publishes its preliminary list of
6 school districts to be consolidated, the personnel policy committee of each
7 of the school districts involved in the consolidation shall meet individually
8 and elect members to form an interim personnel policy committee for the new
9 school district. The personnel policy committees of the existing school
10 districts shall elect:

11 (A) If three (3) or fewer school districts are
12 consolidating, three (3) existing teacher members of the personnel policy
13 committee from each school district to serve on the interim personnel policy
14 committee;

15 (B) If four (4) or more school districts are
16 consolidating, two (2) existing teacher members of the personnel policy
17 committee from each school district to serve on the interim personnel policy
18 committee; and

19 (C) One (1) administrator from each of the school
20 districts to serve on the interim personnel policy committee.

21 (2) The interim personnel policy committee shall elect a
22 chairperson and a secretary, both of whom shall be classroom teachers, and
23 schedule a meeting to review all the written uniform policies of the
24 respective districts that affect the terms and conditions of the teachers'
25 employment. From those written policies the interim personnel policy
26 committee shall put together a proposed set of policies for the new school
27 district.

28 (c)(1) After drafting a proposed set of policies for the new school
29 district, the interim personnel policy committee shall meet with the interim
30 school board of the new school district to present and explain to the interim
31 school board the proposed set of policies for the new school district.

32 (2) Upon request of the interim personnel policy committee, the
33 interim school board shall be entitled to meet with the interim personnel
34 policy committee at least twice before June 1, 2004, for the purpose of
35 reviewing, receiving, and discussing with the interim personnel policy
36 committee the proposed policies for the new school district.

1 (d) The interim personnel policy committee shall serve as the new
2 school district's personnel policy committee until a new personnel policy
3 committee is formed and the successor personnel policy committee members are
4 elected under this subchapter, or until the new school district chooses to
5 officially recognize in its policies an organization representing a majority
6 of the teachers in the district for purposes of negotiating as provided for
7 under this subchapter.

8 (e)(1) The interim school board shall adopt a uniform set of policies
9 before July 1, 2004, which shall be the personnel policies for the new school
10 district for the 2004-2005 school year. If the interim school board decides
11 to adopt any policy or policies different from those proposed by the interim
12 personnel policy committee, the interim school board shall submit the
13 proposals to the interim personnel policy committee at least seven (7) days
14 prior to being considered for adoption by the board.

15 (2) The chair of the interim personnel policy committee or a
16 committee member designated by the chair will have the opportunity to orally
17 comment on any of the interim school board's proposals prior to their
18 adoption.

19 (3) Any written policy of a new school district that affects the
20 terms and conditions of a teacher's employment shall be considered a
21 personnel policy.

22 (4) The new personnel policies shall not impair or diminish the
23 existing contract rights of any teacher.

24 (f) If a school district with a personnel policy committee
25 consolidates with another school that recognizes in its policies an
26 organization representing the majority of the teachers of the district for
27 the purpose of negotiating personnel policies, salaries, and educational
28 matters of mutual concern pursuant to § 6-17-202, the teachers in the
29 district with the personnel policy committee shall have the right, in their
30 first year of employment with the new district, to elect to have their
31 contract governed by the negotiated personnel policies of the new district or
32 to continue with the terms of their existing contract under the personnel
33 policies of the district they were employed by the year prior to the
34 consolidation.

35 (g) The provisions of this section shall expire on July 1, 2005.
36

1 SECTION 15. Arkansas Code Title 6, Chapter 17, Subchapter 2, is
2 amended to add an additional section to read as follows:

3 6-17-211. Reduction in Force – Lay-offs.

4 (a) For purposes of this section the following definitions shall
5 apply:

6 (1) “Certification area” means grade levels or subject area for
7 which the state provides a license to teach;

8 (2) “Classified employee” means a nonsupervisory employee
9 holding a position that is not required by law to hold a license issued by
10 the State Board of Education and whose salary is on a support or classified
11 salary schedule;

12 (3) “Consolidation” means any reorganization of a school
13 district effective on or before July 1, 2004, either voluntarily under §6-13-
14 1701 et seq. or involuntary under this section;

15 (4) “Grade level” means:

16 (A) Pre-kindergarten;

17 (B) Elementary, which consists of grade kindergarten
18 through grade five (5) or grade six (6);

19 (C) Middle or junior high, which consists of grade six (6)
20 or grade seven (7) through grade eight (8) or grade nine (9); or

21 (D) Senior high, which consists of grades nine through
22 twelve (9-12);

23 (5) “New school district” means the resulting school district
24 after consolidation;

25 (6) “Seniority” means the total number of years of employment as
26 a teacher or as a classified employee in the Arkansas public elementary and
27 secondary schools. For purposes of this section:

28 (A) Teachers may not count service as classified employees
29 towards seniority; and

30 (B) A semester under contract shall be counted as a year.
31 Less than a semester shall not be recognized for seniority;

32 (7) “Supervisory employee” means any individual employed by the school
33 district having authority, in the interest of the employer, to hire,
34 transfer, suspend, lay off, recall, promote, discharge, assign, reward, or
35 discipline other employees, the responsibility to evaluate them, or to adjust
36 their grievances or effectively to recommend such action; and

1 (8) "Teacher" means a nonsupervisory employee holding a position
2 that requires a license from the State Board of Education whose salary is
3 determined by the state minimum teacher salary schedule.

4 (b)(1) In the event of a consolidation effective on or before July 1,
5 2004, the school districts to be consolidated shall not implement a reduction
6 in force and shall not nonrenew or terminate any teacher's or classified
7 employee's contract based upon the upcoming consolidation.

8 (2) The new school district shall become liable for all teacher
9 and classified employee contracts of the school districts being consolidated.

10 (c)(1) If during the first two (2) years following a consolidation,
11 effective on or before July 1, 2004, the new school district determines that
12 it is necessary to reduce its staff of teachers or classified employees, or
13 both, and that the reduction cannot be accomplished through attrition, then
14 the new school district shall follow the provisions of this section.

15 (2) However, nothing in this section shall exempt a new school
16 district from complying with The Teacher Fair Dismissal Act or 1983, § 6-17-
17 1501 et seq., as may be amended, or the Public School Employee Fair Hearing
18 Act, § 6-17-1707 et seq., as may be amended, when implementing the reduction
19 in force.

20 (d) For both teachers and classified employees, the reduction in force
21 shall be accomplished through attrition as much as possible.

22 (e) When a new school district determines that a reduction in force is
23 necessary, it shall approve a list of position reductions by school, grade
24 level, certification areas, and classified job positions. All employees shall
25 receive a copy of the necessary reductions.

26 (f)(1) If the reduction in force cannot be accomplished through
27 attrition, then points will be assigned to each teacher based upon data as of
28 July 1 of the year prior to the time in which the reduction in force is to
29 take place as follows:

30 (A) One (1) point shall be given for each year of
31 seniority;

32 (B) Additional points for graduate degrees, but only one
33 (1) applies:

34 (i) Two (2) points shall be given for an earned
35 master's degree, maximum two (2) points;

36 (ii) Three (3) points shall be given for a master's

1 degree plus thirty (30) additional graduate level hours, maximum three (3)
 2 points;

3 (iii) Four (4) points shall be given for an
 4 Educational Specialist degree, maximum four (4) points; and

5 (iv) Five (5) points shall be given for a doctorate
 6 degree, maximum five (5) points;

7 (C) Six (6) points shall be given for certification by the
 8 National Board of Professional Teaching Standards;

9 (D) One (1) point shall be given for a trained mentor
 10 teacher;

11 (E) One (1) point shall be given for a certified Praxis
 12 assessor;

13 (F) One (1) point shall be given for two (2) or more
 14 academic content areas of endorsement as identified by the state board;

15 (G) One (1) point shall be given for certification or
 16 teaching in an state board approved shortage area; and

17 (H) One (1) point shall be given for multiple areas and
 18 levels of licensure as identified by the state board.

19 (2) All points assigned shall be verified by documents on file
 20 with the new school district. Each teacher's points shall be added and
 21 teachers shall be ranked by the total points from high to low in their
 22 certification areas. All teachers in the new school district shall receive
 23 the listing of personnel and point totals.

24 (3) In each certification area, those with fewest points will be
 25 laid off first with the following provisos:

26 (A) Full certification in a position shall prevail over
 27 greater points.

28 (B) If points are equal, earliest date of employment in an
 29 Arkansas public school shall prevail.

30 (4) If teachers are laid-off from employment under this section,
 31 they shall be offered an opportunity to fill a vacancy for which they are
 32 qualified, for a period of up to two (2) years. The laid off teacher shall
 33 be recalled for a period of two (2) years in reverse order of the layoff to
 34 any position for which they are qualified. A teacher's refusal of a position
 35 shall end the district's obligation to place the laid-off teacher.

36 (g) In the event of a necessary reduction in force under this section

1 of classified employees, the school district shall supply all classified
 2 employees a list of employees by length of service. The school district
 3 shall first lay off probationary classified employees, then the classified
 4 employees with the least seniority in the identified job classification. For
 5 two (2) years following the reduction, classified employees whose positions
 6 have been eliminated due to a reduction under this section shall have the
 7 right to assume a position for which they are qualified that is held by the
 8 least senior classified employee with the same job classification and length
 9 of contract. Laid-off classified employees shall be recalled for a period of
 10 two (2) years in reverse order of the layoff to any position for which they
 11 are qualified. Any classified employee's refusal of a job shall end the
 12 district's obligation to place that classified employee.

13 (h) Laid-off teachers or classified employees with skills in the area
 14 of a vacant position shall be given first consideration. If more than one
 15 (1) teacher or classified employee is qualified for the vacant position, the
 16 teacher with the greatest seniority shall be employed first.

17 (i) The provisions of this section shall expire on July 1, 2006, with
 18 the exception of the recall provisions in subdivision (f)(4) and subsection
 19 (g) and (h) of this section.

20
 21 SECTION 16. Arkansas Code § 6-17-410(e)(2), pertaining to the reasons
 22 for which a license may be revoked or suspended or the licensee placed on
 23 probation, is amended to add an additional subdivision to read as follows:

24 (I) Determination by the Department of Education that a
 25 school superintendent or education service cooperative director has committed
 26 an act or violation, including, but not limited to, any violation of Arkansas
 27 or federal law, rules or regulations, or reporting requirements which
 28 jeopardizes the fiscal or academic integrity of a school or school district.

29
 30 SECTION 17. Effective for the 2004-2005 school year, Arkansas Code § 6-
 31 17-1001 is amended to read as follows:

32 6-17-1001. Minimum base salary - Master's degree.

33 (a)(1) The board of directors in each school district in the state
 34 shall pay its teachers upon a salary schedule which has annual increments for
 35 education and experience and which provides for a base salary, a minimum
 36 salary for a teacher with a master's degree, and at least fifteen (15) years

1 of experience as described in this section.

2 (2) Beginning with the 2003-2004 school year, the teacher's
3 experience for purposes of salary and benefits shall be his or her total
4 years in any school district in the state and shall not be based on only the
5 years in the district in which he or she is currently employed.

6 (b) In school year ~~2000-2001~~ 2003-2004 and in each school year
7 thereafter, no school district shall pay its teachers with a bachelor's
8 degree and no experience less than ~~twenty-one thousand eight hundred sixty~~
9 ~~dollars (\$21,860)~~ twenty-seven thousand eight hundred ninety-one dollars
10 (\$27,891).

11 (c) ~~In school year 2000-2001 and in each school year thereafter,~~
12 ~~school districts shall pay teachers with a master's degree and no experience~~
13 ~~at least one hundred fifteen percent (115%) of the minimum base salary~~
14 ~~prescribed in subsection (b) of this section.~~ In school year 2003-2004 and in
15 each school year thereafter, no school district shall pay its teachers with a
16 master's degree and no experience less than thirty thousand seven hundred
17 fifty dollars (\$30,750).

18 (d) ~~In school year 2001-2002 and in each school year thereafter,~~
19 ~~school districts shall pay a teacher with a master's degree and at least~~
20 ~~fifteen (15) years of experience one hundred fifty percent (150%) of the~~
21 ~~state minimum base salary.~~

22 (e)(1) ~~In school year 1995-1996 and in each school year thereafter,~~
23 ~~each school district in the state shall have in place a salary schedule which~~
24 ~~provides at least fourteen (14) annual increments for experience.~~

25 (2)(d) In school year 2003-2004 and in each school year thereafter,
26 each school district in the state shall have in place a salary schedule which
27 provides at least fifteen (15) annual increments for experience.

28 (3) ~~In school year 2001-2002 and in each school year thereafter, each~~
29 ~~school district in the state shall have in place a salary schedule with at~~
30 ~~least the following minimum levels of compensation:~~

31

32 Years Experience	BA Degree Salary	MA Degree Salary
33 0	\$21,860	\$25,139
34 1	22,304	25,649
35 2	22,748	26,159
36 3	23,192	26,669

1	4	23,636	27,179
2	5	24,080	27,689
3	6	24,524	28,199
4	7	24,968	28,709
5	8	25,412	29,219
6	9	25,856	29,729
7	10	26,300	30,239
8	11	26,744	30,749
9	12	27,188	31,259
10	13	27,632	31,769
11	14	28,076	32,279
12	15 or more	28,520	32,789

13 (e) In school year 2004-2005, each school district in the state shall
 14 have in place a salary schedule with at least the following levels of
 15 compensation:

16	<u>Years Experience</u>	<u>BA Degree Salary</u>	<u>MA Degree Salary</u>
17	<u>0</u>	<u>\$27,891</u>	<u>\$30,750</u>
18	<u>1</u>	<u>28,449</u>	<u>31,365</u>
19	<u>2</u>	<u>29,018</u>	<u>31,992</u>
20	<u>3</u>	<u>29,598</u>	<u>32,632</u>
21	<u>4</u>	<u>30,190</u>	<u>33,285</u>
22	<u>5</u>	<u>30,795</u>	<u>33,951</u>
23	<u>6</u>	<u>31,410</u>	<u>34,630</u>
24	<u>7</u>	<u>32,039</u>	<u>35,323</u>
25	<u>8</u>	<u>32,679</u>	<u>36,029</u>
26	<u>9</u>	<u>33,333</u>	<u>36,750</u>
27	<u>10</u>	<u>34,000</u>	<u>37,485</u>
28	<u>11</u>	<u>34,680</u>	<u>38,235</u>
29	<u>12</u>	<u>35,374</u>	<u>39,000</u>
30	<u>13</u>	<u>36,082</u>	<u>39,780</u>
31	<u>14</u>	<u>36,804</u>	<u>40,576</u>
32	<u>15</u>	<u>37,540</u>	<u>41,388</u>
33	<u>16</u>	<u>38,291</u>	<u>42,216</u>
34	<u>17</u>	<u>39,057</u>	<u>43,060</u>
35	<u>18</u>	<u>39,838</u>	<u>43,921</u>
36	<u>19</u>	<u>40,634</u>	<u>44,799</u>

1 20 years or more 41,447 45,695

2 ~~(f) For the 1997-98 school year and for each year thereafter, each~~
 3 ~~school district shall provide no less than four hundred dollar increments for~~
 4 ~~experience for teachers with one (1) and two (2) years of experience.~~

5 ~~(g) For the 1998-1999 school year and for each year thereafter, each~~
 6 ~~school district shall provide no less than four hundred dollar increments for~~
 7 ~~experience for teachers with three (3) and four (4) years of experience.~~

8 ~~(h) For the 1999-2000 school year and for each year thereafter, each~~
 9 ~~school district shall provide no less than four hundred dollar increments for~~
 10 ~~experience for teachers with five (5) and six (6) years of experience.~~

11 ~~(i) For the 2000-2001 school year and for each year thereafter, each~~
 12 ~~school district shall provide no less than four hundred dollar increments for~~
 13 ~~experience for teachers with seven (7) and eight (8) years of experience.~~

14 ~~(j) For the 2001-2002 school year and for each year thereafter, each~~
 15 ~~school district shall provide no less than four hundred dollar increments for~~
 16 ~~experience for teachers with nine (9) and ten (10) years of experience.~~

17 ~~(k) For the 2002-2003 school year and for each year thereafter, each~~
 18 ~~school district shall provide no less than four hundred dollar increments for~~
 19 ~~experience for teachers with eleven (11) and twelve (12) years of~~
 20 ~~experience.~~

21 ~~(l)(1) For the 2003-2004 school year and for each year thereafter,~~
 22 ~~each school district shall provide no less than four hundred dollar~~
 23 ~~increments for experience for teachers with thirteen (13) years of~~
 24 ~~experience.~~

25 ~~(2) For the 2004-2005 school year and for each year thereafter,~~
 26 ~~each school district shall provide no less than four hundred dollar~~
 27 ~~increments for experience for teachers with fourteen (14) years of~~
 28 ~~experience.~~

29 ~~(3) For the 2005-2006 school year and for each year thereafter,~~
 30 ~~each school district shall provide no less than four hundred dollar~~
 31 ~~increments for experience for teachers with fifteen (15) years of~~
 32 ~~experience.~~

33 ~~(m)(g)~~ Subsections (f)-(l) Subsection (f) of this section shall not
 34 apply to any local school district whose minimum salary for teachers exceeds
 35 ~~twenty one thousand eight hundred sixty dollars (\$21,860)~~ twenty-seven
 36 thousand eight hundred ninety-one dollars (\$27,891) and whose average salary

1 exceeds the state average salary for teachers for the previous year.

2 ~~(n)~~(h) As used in this section, "teacher" shall include any full-time
3 employee of a local public school district:

4 (1) Who is compelled by law to secure a license from the State
5 Board of Education as a condition precedent to employment in a position in or
6 related to grades pre-kindergarten through twelve (preK-12) of the public
7 schools of this state; and

8 (2) Who is:

9 (A) Engaged directly in instruction with students in a
10 classroom setting for more than seventy percent (70%) of the individual's
11 contracted time;

12 (B) A guidance counselor; or

13 (C) A librarian.

14 ~~(o)~~(i) All minimum salaries set forth in this section shall be for a
15 contract number of days that is not more than the number of days in the
16 school year required by the State Board of Education's regulations for
17 accreditation for the school year in which the contract is effective.

18 ~~(p)~~(l)(j)(1) A district that determines that it cannot meet the
19 minimum salary requirements of this section from funds available may petition
20 the Department of Education for a waiver of the requirements of this section
21 for up to three (3) school years based on regulations promulgated by the
22 State Board of Education.

23 (2) The department shall not grant a waiver to any district that
24 is not in compliance with the uniform rate of tax requirements under Arkansas
25 Constitution, Amendment 74.

26
27 Section 18. Arkansas Code Title 6, Chapter 17, Subchapter 23, is
28 amended to add an additional section to read as follows:

29 6-17-2308. School based performance awards.

30 (a)(1) For the school year 2004-2005 and each year thereafter, the
31 Department of Education shall pay four (4) different levels of school based
32 performance awards to individual schools that show excellence in meeting
33 state performance goals.

34 (2) The State Board of Education shall promulgate rules and
35 regulations that explicate how it will be calculated that individual schools
36 qualify for these awards.

1 (b)(1) The amount of the school-based performance award shall be based
 2 upon the extent to which the school accomplished established student
 3 achievement goals:

4 (A) For a school that did not accomplish the goals there
 5 would be no award;

6 (B) For a school that had basic accomplishment of the
 7 goals, the award would be equal to one thousand dollars (\$1,000) per
 8 certified teacher and administrator in the school plus five hundred dollars
 9 (\$500) for support staff in the school;

10 (C) For a school that had accomplished targeted
 11 improvement goals, the award would be equal to two thousand dollars (\$2,000)
 12 per certified teacher and administrator in the school plus one thousand
 13 dollars (\$1,000) for support staff in the school; and

14 (D) For a school that exceeded the targeted improvement
 15 goals, the award would be equal to three thousand dollars (\$3,000) per
 16 certified teacher and administrator in the school plus one thousand five
 17 hundred dollars (\$1,500) for support staff in the school.

18 (2) The state board shall promulgate rules and regulations that
 19 explicate what the student achievement improvement goals are and how they
 20 will be determined.

21
 22 SECTION 19. Arkansas Code § 6-18-508 is amended to read as follows:
 23 6-18-508. Alternative learning environment.

24 (a) For purposes of this subchapter:

25 (1) "Alternative learning environment" is an educational setting
 26 which offers nontraditional/flexible instructional methods that enable all
 27 students to participate in the educational process and to prevent dropping
 28 out;

29 (2) "At-risk students" are those in the public school whose
 30 educational and social progress deviates from the standard expected for a
 31 successful transition to a productive adult life. An at-risk student, though
 32 intelligent and capable, typically manifests one (1) or more of the following
 33 characteristics:

34 (3) "Disruptive behavior" is behavior that interferes with the
 35 student's own learning or the educational process of others and requires
 36 attention and assistance beyond what the traditional program provides,

1 behavior that severely threatens the general welfare of other, and frequent
 2 conflicts of a disruptive nature while the student is under the jurisdiction
 3 of the school, either in or out of the classroom;

4 (4) "Dropping out" is leaving school without graduating or
 5 completing a state- or district-approved secondary program;

6 (5) "Nontraditional flexible instructional methods" are
 7 innovative methods of instructional delivery such as flexible timeframes,
 8 variable credit delivery systems, applied learning, integrated curriculum,
 9 and work-based learning;

10 (A) Recurring absenteeism;

11 (B) Disruptive behavior;

12 (C) Drop out from school;

13 (D) Personal or family problems or situations;

14 (E) Transition to or from residential programs; and

15 (F) Standardized test scores or assessment portfolios
 16 which indicate that the student is nine (9) months or more behind-grade
 17 level, is one (1) or more years behind grade-level in accumulation of credits
 18 for graduation, or has been retained one (1) or more times;

19 (6) "Personal and family problems or situations" are conditions
 20 that negatively affect the student's academic and social progress. These may
 21 include, but are not limited to:

22 (A) Pregnancy;

23 (B) Single parenting;

24 (C) Mental/physical health problems;

25 (D) Frequent relocation of residency;

26 (E) Homelessness;

27 (F) Abuse, including, physical, mental, sexual abuse; and

28 (G) Inadequate emotional support; and

29 (7) "Students in transition" are those moving to or from
 30 residential programs such as detention, psychiatric treatment, legal
 31 commitment, and substance abuse rehabilitation.

32 (b) The following shall apply to student admission:

33 (1) A student should be assigned to an alternative learning
 34 environment for no fewer than twenty (20) consecutive school days;

35 (2)(i) A student assigned to an alternative learning environment
 36 should be assessed within twenty (20) school days. The student assessment

1 profile should include information on behavioral assessment, attendance
 2 records, and problems both in and out of school.

3 (ii) Screening should be conducted to diagnose
 4 learning difficulties and achievement deficits;

5 (3) Eligible students with disabilities defined by the
 6 Individuals with Disabilities Education Act (IDEA), Public Law 94-142, as
 7 amended, may be placed in an alternative learning environment.

8 alternative learning environments shall provide access to appropriate
 9 education services consistent with federal laws and regulations;

10 (4) Each alternative learning environment shall have a plan to
 11 involve parents, guardians, or other parties responsible for the student; and

12 (5) The district or districts operating the alternative learning
 13 environment shall not discriminate against any student or group of students
 14 on the basis of race, gender, handicap, or religious belief in the criteria
 15 for admission or in operating the alternative learning environment.

16 (c) ~~(a)~~ Every school district shall establish an alternative learning
 17 environment which shall afford students an environment conducive to learning.

18 (d)(1) ~~(b)~~ The alternative learning environment required by this
 19 section may be established by more than one (1) school district ~~or may be~~
 20 ~~operated by a public school educational cooperative established under § 6-13-~~
 21 ~~901 et seq~~ or an education service center.

22 (2) The alternative learning environment must meet the following
 23 criteria:

24 (A) Have students supervised by a currently-licensed
 25 teacher;

26 (B)(i) Have a student-to-teacher ratio in the alternative
 27 learning environment of no more than fifteen (15) to one (1).

28 (ii) Have a student-to-teacher ratio of no more than
 29 twenty (20) to one (1) if an aide is employed in addition to a licensed
 30 supervisor.

31 (iii) Have a ratio of one (1) certified employee for
 32 every fifteen (15) full-time students;

33 (C) Provide each alternative learning student access to
 34 the services of a school counselor, a mental health professional, a social
 35 worker, and other district resources, including, but not limited to
 36 transportation, health services, and free or reduced price lunch;

1 (D) Provide a curriculum including mathematics, science,
 2 social studies, and language arts correlated with the regular classroom
 3 instruction or with the standards for the General Educational Development
 4 tests; and

5 (E) Provide comprehensive staff development which includes
 6 such topics as conflict management, interpersonal skills and human
 7 development, counseling and group process skills, positive approaches to
 8 behavior management and discipline, stress management, and building self-
 9 confidence for all regular, certified, or classified staff.

10 (3) The Department of Education shall randomly monitor school
 11 districts to ensure that alternative learning environments have been
 12 established, are conducive to learning, and are providing intervention
 13 services designed to address individual needs of students. Each school
 14 district shall be monitored at least once every three (3) years.

15 (e) ~~(e)~~ The Department of Education shall establish criteria for
 16 teacher preparation for alternative learning environments, which shall
 17 include in-service training.

18 ~~(d)(1)(A)(f)(1)(A) (d)Each school district shall report to the~~
 19 ~~department, on a yearly basis, the race, gender, and other pertinent~~
 20 ~~information regarding students placed in an alternative learning environment~~
 21 Districts must submit an annual report to the Department of Education using a
 22 format developed by the department. Each operating alternative learning
 23 environment should maintain information, including, but not limited to, the
 24 following:

- 25 (i) Number of students
- 26 (ii) Length of enrollments
- 27 (iii) Attendance rate
- 28 (iv) Age of students
- 29 (v) Race and gender of students
- 30 (vi) Grade level at the time of entry and exit from
 31 the program
- 32 (vii) Reasons for admission
- 33 (viii) Current status of students on date of the
 34 report.

35
 36 (B) This information shall be reported by the department

1 to the Joint Interim Oversight Subcommittee on Educational Reform by
2 September 15 of each year.

3 (2) The Arkansas Pygmalion Commission on Nontraditional
4 Education will also report its findings by the same time each year to the
5 same legislative body.

6 ~~(g) (e) All funding for alternative education programs distributed~~
7 ~~outside the funding formula and which meets the guidelines developed by the~~
8 ~~department shall be released at the beginning of the school year or~~
9 ~~distributed proportionally along with the state aid to school districts. Any~~
10 funds received by a local school district for alternative learning
11 environments may only be expended for eligible alternative learning
12 environment programs.

13 ~~(h) (f) For the 1999-2000 school year and each year thereafter, the~~
14 ~~department will develop an incentive program for those school districts whose~~
15 ~~alternative education programs have met the guidelines. The State Board of~~
16 Education may promulgate rules and regulations to implement this section.

17
18 SECTION 20. Effective July 1, 2004, the Insurance Services Division of
19 the Department of Education is transferred by a Type 3 transfer as provided
20 in Arkansas Code § 25-2-105 to the State Insurance Department.

21 Any and all statutory and regulatory authority, powers, duties,
22 functions, records, property, and funds administered or provided by other
23 support divisions within the Department of Education or the State Board of
24 Education for The Public Elementary and Secondary School Self Insurance Act
25 of 1973 § 6-20-1501 et seq. or the Insurance Service Division of the
26 Department of Education shall be transferred by a Type 3 transfer as provided
27 in Arkansas Code § 25-2-105 to the State Insurance Department.

28
29 SECTION 21. Arkansas Code § 26-80-111 is amended to read as follows:
30 26-80-111. School districts formed by consolidation, annexation, or
31 merger.

32 (a) When a new school district is created from all or parts of two (2)
33 or more districts or a district is dissolved and all or part of the area of
34 the dissolved district is annexed to or consolidated with an existing
35 district, the board of directors of the resulting district shall submit to
36 the electors of the district at the next annual school election a proposed

1 tax millage rate for the district. If the proposed millage rate is approved
 2 by the electors of the district, it shall be the rate for the district,
 3 provided such rate complies with the uniform rate of tax.

4 (b) If a new school district is created from all or parts of two (2)
 5 or more districts or a district is dissolved and all or part of the area of
 6 the dissolved district is annexed to or consolidated with an existing
 7 district and if the electors have failed to approve a proposed millage rate
 8 at ~~a an annual school election, then the millage rate for the district shall~~
 9 ~~be the millage rate levied, at the last school election prior to the~~
 10 ~~consolidation, annexation or merger in the district which had the highest~~
 11 ~~average daily membership during the school year preceding the consolidation,~~
 12 ~~annexation, or merger, provided such rate complies with the uniform rate of~~
 13 ~~tax~~ then the tax shall be collected at the rate approved in the last
 14 preceding school election. However, if the rate last approved has been
 15 modified pursuant to the Arkansas Constitution, Amendment 74, subsection (b)
 16 or subdivision (c)(2), then the tax shall be collected at the modified rate
 17 until another rate is approved.

18
 19 SECTION 22. REALIGNMENT OF THE DEPARTMENT OF EDUCATION. NOT TO BE
 20 INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL,
 21 LOCAL, AND TEMPORARY LAW.

22 (a)(1)(A) Within one hundred and twenty (120) calendar days following
 23 the implementation of this act, the Department of Education shall reorganize.

24 (B) The purpose of the reorganization shall be for the
 25 department to maximize its role as the active senior partner with the schools
 26 and prepare to intervene immediately rather than after the school or school
 27 district fails.

28 (C)(i) To reorganize, the department shall form a taskforce
 29 consisting of key department personnel, school district personnel, teachers,
 30 and other stakeholders to conduct a study the department's delivery system
 31 and make recommendations for the department's reorganization.

32 (ii) The work of the taskforce shall be completed within
 33 ninety (90) days following the implementation of this act.

34 (iii)(a) As part of the study, the taskforce shall conduct
 35 a comprehensive review of the salaries of individuals necessary to fulfill
 36 the department's constitutional mission.

1 (b) This study shall include equity adjustments to
2 recognize differences in responsibility, performance, or seniority.

3 (c) Qualifications and salary levels shall be
4 comparable to those of similar employees in school districts or in other
5 state education agencies.

6 (b) On the effective date of this act, all position at the Department
7 of Education that are Grade 21 or higher shall become unclassified positions
8 under the Uniform Compensation and Classification Act of 1973.

9 (c) The Director of the Department of Education shall have the
10 authority to transfer any unclassified position to the Office of Public
11 School Accountability or the Office of Public School Academic Facilities.

12 (d) The restructuring of the department shall be conducted in a manner
13 that will provide sufficient personnel within the department to provide
14 administrative and technology support the Office of Public School
15 Accountability and the Office of Public School Academic Facilities at a level
16 that is sufficient for the offices to carry out the duties set forth in this
17 act.

18
19 SECTION 23. EMERGENCY CLAUSE. It is found and determined by the
20 General Assembly of the State of Arkansas that the Arkansas Supreme Court in
21 Lake View School District No. 25 v. Huckabee, 351 Ark. 31 (2002) declared the
22 now existing system of education to be unconstitutional because it is both
23 inequitable and inadequate; and the Arkansas Supreme Court set forth the test
24 for a constitutional system to be one in which the State has an “absolute
25 duty” to provide an “equal opportunity to an adequate education”; and the
26 Arkansas Supreme Court instructed the General Assembly to define and provide
27 what is necessary to provide an adequate and equitable education for the
28 children of Arkansas. Therefore, an emergency is declared to exist and this
29 act being immediately necessary for the preservation of the public peace,
30 health, and safety shall become effective on:

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

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

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