

**ARKANSAS SENATE**  
86th General Assembly - Regular Session, 2007  
**Amendment Form**

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**Subtitle of Senate Bill No. 938**

"TO ENCOURAGE THE VOLUNTARY CREATION OF ADMINISTRATIVELY  
CONSOLIDATED SCHOOL DISTRICTS OR ADMINISTRATIVELY ANNEXED SCHOOL  
DISTRICTS."

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**Amendment No. 1 to Senate Bill No. 938.**

Amend Senate Bill No. 938 as originally introduced:

Page 1, delete lines 23 through 25 in their entirety and substitute the following

"SECTION 1. Arkansas Code Title 6, Chapter 13, is amended to add an additional subchapter to read as follows:

6-13-1701. Purpose.

The purpose of this subchapter is to encourage the voluntary creation of administratively consolidated or administratively annexed school districts that are as near to being county-wide as is practicable under our existing system of school district territorial organization and to further encourage the voluntary formation of single administrative public education units that include territory from more than one county where circumstances in a particular area make that educationally beneficial.

6-13-1702. Definitions.

As used in this subchapter:

(1)(A) "Administrative annexation" means the joining of an affected school district or a part of the school district with a receiving school district.

(B) "Administrative annexation" does not include the closing of school facilities;

(2) "Administrative consolidation" means the joining of two (2) or more school districts to create a single school district with one (1) administrative unit and one (1) board of directors that is not required to close school facilities;

(3) "Affected school district" means a school district that loses territory or students, or both, as a result of an administrative consolidation or an administrative annexation;

(4) "Receiving school district" means a school district or districts that receive territory or students, or both, from an affected school district as a result of an administrative consolidation or an



administrative annexation;

(5) "Resulting school district" means the new school district created from an affected district or districts as a result of an administrative consolidation or an administrative annexation; and

(6) "State board" means the State Board of Education.

6-13-1703. Voluntary administrative consolidation or voluntary administrative annexation.

(a)(1) Any school district may agree to a voluntary administrative consolidation or a voluntary administrative annexation with another school district or school districts under the provisions of this section.

(2)(A) Any school district that agrees to a voluntary administrative consolidation or a voluntary administrative annexation shall submit to the State Board of Education a petition that contains the terms of the voluntary administrative consolidation or voluntary administrative annexation agreement petition and any other information required by the state board.

(B) If the petition is approved by the state board, the affected school districts shall complete the voluntary administrative consolidation or the voluntary administrative annexation as directed by the state board.

(3) The state board shall not deny a petition for voluntary administrative consolidation or voluntary administrative annexation unless:

(A) A provision contained in the agreement for a voluntary administrative consolidation or voluntary administrative annexation would violate state or federal law; or

(B) The voluntary administrative consolidation or voluntary administrative annexation would not enhance the educational opportunities of students in the affected school districts.

(b) Any voluntary administrative consolidation or voluntary administrative annexation under this section shall not create a resulting school district that adversely affects the desegregation of another school district in this state.

(c) The ad valorem tax rate shall be determined as set forth under § 6-13-1409 for any affected school district under this subchapter.

(d) Nothing in this subchapter shall require the closing of any school or school facility.

(e) The resulting school district shall not have more than one (1) superintendent.

(f) Any school district not designated as being in academic or fiscal distress for the current school year that voluntarily administrative consolidates or voluntarily annexes a school district designated by the state board as being in academic or fiscal distress at the time of consolidation or annexation shall not be subject to academic or fiscal distress sanctions for a period of three (3) years from the effective date of consolidation or annexation unless:

(1) The school district fails to meet minimum teacher salary requirements; or

(2) The school district fails to comply with the Standards for Accreditation of Arkansas Public Schools issued by the Department of Education.

(g) The state board may approve the voluntary administrative

consolidation of noncontiguous school districts if the facilities and physical plant of each school district:

(1) Are within the same county; or

(2) Are not within the same county and the state board finds that the consolidation or annexation will:

(A) Improve the overall educational benefit to students in all of the affected school districts; or

(B) Provide a significant advantage in transportation costs or service to all of the affected school districts.

(h) Contiguous districts may agree to a voluntary administrative consolidation even if they are not in the same county.

(i) The provisions of § 6-13-1406 shall govern the board of directors of each school district created under this subchapter.

(j) The state board shall promulgate rules to facilitate the administration of this subchapter.

6-13-1704. Incentives for the resulting school district containing seventy percent (70%) or more of the total county school enrollment.

(a) The state board shall develop and implement an incentive program that encourages the creation of administrative public education units that are as nearly county-wide as is practical, or larger, through voluntary administrative consolidation or voluntary administrative annexation. Therefore, whenever a voluntary administrative consolidation or voluntary administrative annexation of one or more school districts with another school district results in the formation of a resulting school district that contains seventy percent (70%) or more of the total school district enrollment of all the districts in the county wherein the resulting school district is situated, the resulting school district shall receive incentives which include:

(1) For the first year after consolidation or annexation, an award of one thousand dollars (\$1,000) per student in the resulting school district up to a maximum of five million dollars (\$5,000,000);

(2) For the second year after consolidation or annexation, an award of five hundred dollars (\$500) per student in the resulting school district up to a maximum of two and one-half million dollars (\$2,500,000); and

(3) For the third year after consolidation or annexation, an award of five hundred dollars (\$500) per student in the resulting school district up to a maximum of two and one-half million dollars (\$2,500,000).

(b) The Division of Public School Academic Facilities and Transportation shall ensure that the state's financial participation in support of the resulting school district's academic facilities fully funds any financial contribution that is required or would be required of the resulting school district for the five (5) years after the formation of the resulting school district.

(c)(1) For the ten-year period after the resulting school district's formation, any person or entity within the geographic area of that resulting school district is entitled to double any state incentive related to economic development or job creation for which that person or entity is eligible as a result of the resulting school district's formation.

(2) A resulting school district does not qualify for any incentive funded by the Department of Economic Development Super Projects

Fund, § 19-5-1219."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Bryles

GLG/LEF - 03-08-2007 10:15

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Secretary