

ARKANSAS SENATE

94th General Assembly - Regular Session, 2023

Amendment Form

Subtitle of Senate Bill No. 262

TO AMEND THE PUBLIC EDUCATION REORGANIZATION ACT; AND TO REMOVE THE AUTHORITY OF THE STATE BOARD OF EDUCATION TO REQUIRE AN ADMINISTRATIVE CONSOLIDATION FOR CERTAIN SCHOOL DISTRICTS.

Amendment No. 1 to Senate Bill 262

Amend Senate Bill No. 262 as originally introduced:

Page 1, delete line 26, and substitute the following:

"SECTION 1. Arkansas Code § 6-13-1602 is repealed.

~~6-13-1602. Administrative consolidation list.~~

~~By January 1 of each year, the Division of Elementary and Secondary Education shall publish a:~~

~~(1) List of all school districts with fewer than three hundred fifty (350) students according to the school district average daily membership in the school year immediately preceding the current school year; and~~

~~(2) Consolidation list that includes all school districts with fewer than three hundred fifty (350) students according to the school district average daily membership in each of the two (2) school years immediately preceding the current school year.~~

SECTION 2. Arkansas Code § 6-13-1603(a)(1) and (2), concerning school districts on the consolidation list that choose to voluntarily consolidate, are amended to read as follows:

(a)(1) Any A school district included in the Division of Elementary and Secondary Education's consolidation list under § 6-13-1602 with fewer than three hundred fifty (350) students according to the school district average daily membership in the school year immediately preceding the current school year may voluntarily agree to administratively consolidate with or be annexed to another school district or districts in accordance with the requirements and limitations of this section.

(2)(A) Any A school district on the consolidation list with fewer than three hundred fifty (350) students according to the school



district average daily membership in the school year immediately preceding the current school year choosing to voluntarily administratively consolidate or annex shall ~~submit;~~

(i) Submit a petition for approval to the State Board of Education by March 1 ~~immediately following publication of the list;~~ and ~~shall set~~

(ii) Set forth the terms of the administrative consolidation or annexation agreement in the petition.

(B) If the petition is approved by the state board, the administrative consolidation or annexation shall be completed by May 1, to be effective July 1 ~~immediately following the publication of the list required under § 6-13-1602.~~

SECTION 3. Arkansas Code § 6-13-1603(a)(3) and (4), concerning"

AND

Page 1, delete line 36, and substitute the following:

~~"on its own motion~~ submitted by school districts under subdivision (a)(2) of this section to administratively consolidate ~~a school district on the~~

AND

Page 2, line 1, delete "consolidation list" and substitute "~~consolidation~~ list"

Page 2, delete line 3, and substitute the following:

~~"immediately following the publication of the list required under § 6-13-1602."~~

AND

Page 2, line 14, delete "SECTION 2" and substitute "SECTION 4"

AND

Page 2, delete line 19, and substitute the following:

~~"exceeding three hundred fifty (350)."~~

SECTION 5. Arkansas Code § 6-13-1608(b) and (c), concerning financial reviews and Division of Elementary and Secondary Education authority over certain school districts, are amended to read as follows:

(b) The comprehensive financial review shall begin no less than ten (10) days after the earliest of:

~~(1) The publication of the district's name on the consolidation and annexation list under § 6-13-1602;~~

~~(2) The filing of a petition for voluntary administrative consolidation or administrative annexation; or~~

~~(3)~~(2) The adoption of a motion by the state board to consolidate, annex, or otherwise reorganize a school district designated as being in academic or fiscal distress.

(c)(1) ~~Beginning on the date of publication of the consolidation list under § 6-13-1602~~ By January 1 of each year, the Division of Elementary and Secondary Education shall ~~have:~~

(A) Have authority to oversee all fiscal and accounting-related matters of all school districts on the consolidation list with fewer than three hundred fifty (350) students according to the school district average daily membership in the school year immediately preceding the current school year; and shall require those

(B) Require school districts with fewer than three hundred fifty (350) students according to the school district average daily membership in the school year immediately preceding the current school year to have accurate records necessary to close all books within sixty (60) days after the end of the fiscal year.

(2) No contract or other debt obligation incurred by a school district for which the division has oversight authority under this section shall be valid or enforceable against a resulting school district unless the contract or other debt obligation is preapproved in writing by the Commissioner of Elementary and Secondary Education or his or her designee.

SECTION 6. Arkansas Code § 6-13-1608(f), concerning certain school districts' abilities to incur debt, is amended to read as follows:

(f) A school district may not incur debt without the prior written approval of the division if the school district is identified by the division ~~under § 6-13-1602(1)~~ as having fewer than three hundred fifty (350) students

according to the school district average daily membership in the school year immediately preceding the current school year.

SECTION 7. Arkansas Code § 6-13-1610(a)(2), concerning the definition of "Act 60 school district" under the Public Education Reorganization Act, is repealed.

~~(2) "Act 60 school district" means a school district that was on the consolidation list under § 6-13-1602 and was involuntarily consolidated under § 6-13-1603(a)(3);~~

SECTION 8. Arkansas Code § 6-13-1610(d)(1), concerning the Division of Elementary and Secondary Education's authority to oversee fiscal and accounting-related matters of certain districts, is amended to read as follows:

~~(d)(1) Beginning on the date of the publication of the consolidation list under § 6-13-1602~~ By January 1 of each year, the division shall ~~have:~~

(A) Have authority to oversee all fiscal and accounting-related matters of all school districts on the consolidation list; ~~and shall require these~~

(B) Require school districts with fewer than three hundred fifty (350) students according to the school district average daily membership in the school year immediately preceding the current school year to have accurate records necessary to close all books within sixty (60) days of the end of the fiscal year.

SECTION 9. Arkansas Code § 6-13-1613(a)(1) and (2), concerning the authority for a school district that is placed on a consolidation list to request a minimum school district size waiver, are amended to read as follows:

(a)(1) ~~A school district that is placed on the consolidation list published by the Division of Elementary and Secondary Education under § 6-13-1602(2)~~ with fewer than three hundred fifty (350) students according to the school district average daily membership in the school year immediately preceding the current school year may annually request a waiver from the average daily membership requirement of three hundred fifty (350) students from the State Board of Education.

(2) A school district shall submit a petition for a waiver to the state board ~~no later than thirty (30) days after the consolidation list is published~~ by February 1.

SECTION 10. Arkansas Code § 6-13-1613(c), concerning a school district that is granted a minimum district size waiver, is repealed.

~~(e) A school district that is granted a waiver shall remain listed on the consolidation list that is published annually by the division."~~

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

By: Senator J. Payton

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Secretary