

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

INTERIM STUDY PROPOSAL 2007-180

State of Arkansas

As Engrossed: S3/12/07 S3/30/07

86th General Assembly

A Bill

Regular Session, 2007

SENATE BILL 938

By: Senator Bryles

Filed with: Education Committee - Senate
pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

AN ACT TO ENCOURAGE THE VOLUNTARY CREATION OF
ADMINISTRATIVELY CONSOLIDATED SCHOOL DISTRICTS OR
ADMINISTRATIVELY ANNEXED SCHOOL DISTRICTS; AND
FOR OTHER PURPOSES.

Subtitle

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

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

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.



1 6-13-1702. Definitions.

2 As used in this subchapter:

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

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

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

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

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

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

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

23
24 6-13-1703. Voluntary administrative consolidation or voluntary
25 administrative annexation.

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

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

35 (B) If the petition is approved by the state board, the
36 affected school districts shall complete the voluntary administrative

1 consolidation or the voluntary administrative annexation as directed by the
2 state board.

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

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

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

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

15 (c) The ad valorem tax rate shall be determined as set forth under §
16 6-13-1409 for any affected school district under this subchapter.

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

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

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

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

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

33 (g) The state board may approve the voluntary administrative
34 consolidation of noncontiguous school districts if the facilities and
35 physical plant of each school district:

36 (1) Are within the same county; or

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

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

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

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

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

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

13
14 6-13-1704. Incentives for the resulting school district containing
15 seventy percent (70%) or more of the total county school enrollment.

16 (a)(1) To the extent that funding is available for the incentive
17 program established under this subsection, the state board may develop an
18 incentive program encouraging the creation of an administrative public
19 education unit through a voluntary administrative consolidation or a
20 voluntary administrative annexation that results in a school district
21 containing seventy percent (70%) or more of the total school district
22 enrollment of all the districts in the county where the resulting school
23 district is situated.

24 (2) To implement the incentive program established under this
25 subsection, the state board shall promulgate rules that:

26 (A) Provide the methodology for the state board's
27 allocation or distribution of funds that are appropriated or otherwise made
28 available for the incentive program;

29 (B) Establish the conditions and criteria for the state
30 board's award of incentives under the incentive program; and

31 (C) Identify the incentives and amounts that may be
32 awarded, including:

33 (i) For the first year after consolidation or
34 annexation, an award of one thousand dollars (\$1,000) per student in the
35 resulting school district up to a maximum of two and one-half million dollars
36 (\$2,500,000);

1 (ii) For the second year after consolidation or annexation, an
2 award of five hundred dollars (\$500) per student in the resulting school
3 district up to a maximum of one million and seven hundred-fifty thousand
4 dollars (\$1,750,000); and

5 (iii) For the third year after consolidation or annexation, an
6 award of five hundred dollars (\$500) per student in the resulting school
7 district up to a maximum of eight hundred seventy-five thousand dollars
8 (\$875,000).

9 (b)(1) To the extent that funding is available for the incentive
10 program established in subsection (b) of this section and the Division of
11 Public School Academic Facilities and Transportation determines that an award
12 is merited, the division may provide additional financial support for the
13 resulting school district's academic facilities.

14 (2) The Commission for Arkansas Public School Academic
15 Facilities and Transportation shall promulgate rules as necessary to develop
16 and implement the incentive program established in subsection (b) of this
17 section.

18 (c)(1) To the extent that funding is available for the incentives
19 provided under this subsection and approved by the Department of Economic
20 Development, for the ten-year period after the resulting school district's
21 formation, any person or entity within the geographic area of that resulting
22 school district or who intends to locate within the resulting school district
23 and subsequently does locate within the resulting school district is entitled
24 to double any state incentive related to economic development or job creation
25 for which that person or entity is eligible as a result of the resulting
26 school district's formation.

27 (2) A resulting school district does not qualify for any
28 incentive funded by the Department of Economic Development Super Projects
29 Fund, § 19-5-1219.

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31 /s/ Bryles
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