

State of Arkansas  
85th General Assembly  
Regular Session, 2005

# A Bill

HOUSE BILL 2840

By: Representative Anderson

## For An Act To Be Entitled

AN ACT TO PROVIDE LOCAL CONTROL OVER FUNDING FOR  
EDUCATION SERVICE COOPERATIVES; AND FOR OTHER  
PURPOSES.

## Subtitle

AN ACT TO PROVIDE LOCAL CONTROL OVER  
FUNDING FOR EDUCATION SERVICE  
COOPERATIVES.

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

SECTION 1. Arkansas Code § 6-13-620(a)(14), concerning powers and duties of local school boards of directors, is amended to read as follows:

(14) If a district does not have a website, then on or before July 1, 2003, the district's educational cooperative ~~shall~~ may develop a website for the district or the cooperative ~~shall~~ may enter into an agreement with a local city, county, or other local governmental agency to have the district's information as required in subdivision (13) of this section published on an existing local city, county, or other local governmental agency's website, contingent upon the availability of funds for that purpose and upon a majority vote of the members of the education service cooperative's board of directors present and voting.

SECTION 2. Arkansas Code § 6-13-1002(a), concerning a education service cooperative's establishment and function, is amended to read as follows:

(a) The State Board of Education is authorized to establish a



1 statewide system of not more than fifteen (15) multicounty education service  
2 cooperatives of school districts. Such cooperatives shall be intermediate  
3 service units in the state's elementary and secondary education system and as  
4 such shall be eligible to receive and expend funds from ~~state and the~~ federal  
5 ~~governments~~ government, school districts, and other ~~public or~~ private  
6 sources.

7  
8 SECTION 3. Arkansas Code § 6-13-1008(a), concerning creation of a  
9 teacher center, is amended to read as follows:

10 (a) Each education service cooperative ~~shall~~ may establish a teacher  
11 center which will provide, consistent with funds available, curriculum  
12 development assistance, educational materials, and staff development services  
13 to teachers within the school districts in the service area, contingent upon  
14 the availability of funds for that purpose and upon a majority vote of the  
15 members of the education service cooperative's board of directors present and  
16 voting.

17  
18 SECTION 4. Arkansas Code § 6-13-1015(a), concerning an education  
19 cooperative liaison with postsecondary institutions, is amended to read as  
20 follows:

21 (a) Each education service cooperative, in carrying out its programs  
22 and services, is encouraged to cooperate with the various state-supported  
23 postsecondary educational institutions located within its area, contingent  
24 upon the availability of funds for that purpose and upon a majority vote of  
25 the members of the education service cooperative's board of directors present  
26 and voting.

27  
28 SECTION 5. Arkansas Code § 6-13-1016 is amended to read as follows:

29 § 6-13-1016 Annual surveys and needs assessments.

30 (a) Each education service cooperative ~~shall~~ may conduct annual  
31 surveys and needs assessments to assist the cooperative in its first priority  
32 of helping school districts improve their educational programs and practices,  
33 contingent upon the availability of funds for that purpose and upon a  
34 majority vote of the members of the education service cooperative's board of  
35 directors present and voting.

36 (b) Such activities may include written surveys, visits to schools to

1 meet with local personnel, and other means to identify local needs throughout  
2 the service area.

3 (c) Each education service cooperative ~~shall~~ may work with the  
4 Department of Education to conduct statewide surveys which complement, rather  
5 than duplicate, the work of the department.

6 (d) The objective shall be to obtain statewide, area, and local data  
7 with as little duplication as possible.

8  
9 SECTION 6. Arkansas Code § 6-13-1017 is amended to read as follows:

10 6-13-1017. Programs and services.

11 (a) The programs and services of each education service cooperative  
12 shall be based upon the needs of the school districts included in its service  
13 area ~~and upon the educational priorities of the state~~ contingent upon the  
14 availability of funds for that purpose and upon a majority vote of the  
15 members of the education service cooperative's board of directors present and  
16 voting.

17 (b) Each education service cooperative ~~shall~~ may provide a teacher  
18 center as its basic curriculum and staff development capability if the school  
19 districts in the cooperative's service area choose to fund a teacher center  
20 in their respective education service cooperative.

21 (c) Education service cooperatives may provide shared educational  
22 programs and services such as needs assessment and school improvement  
23 planning, staff development, curriculum development, itinerant teachers,  
24 instructional materials, adult and vocational education, programs for gifted  
25 and talented, education for children with disabilities, alternative  
26 educational programs, secondary area vocational centers, community-based  
27 education programs and other services which the State Board of Education may  
28 approve or which school districts may support with local funds.

29  
30 SECTION 7. Arkansas Code § 6-13-1018 is amended to read as follows:

31 6-13-1018. Participation of local school districts - Contracts.

32 (a) Each school district within the service area of the education  
33 service cooperative shall be entitled to participate in those programs and  
34 services ~~which are fully supported by state funds,~~ consistent with funding  
35 provided by the respective school districts for such programs and services.

36 (b) No school district shall be required to participate in any

1 service.

2 (c) School districts may enter into contracts with the education  
3 service cooperative for services supported partially or completely by local  
4 school funds.

5 (d) School districts within one (1) education service cooperative may  
6 also contract for services with another education service cooperative.

7  
8 SECTION 8. Arkansas Code § 6-13-1019 is amended to read as follows:  
9 6-13-1019. Funding of cooperatives.

10 (a) The ~~state shall~~ school district may provide funds to support the  
11 basic structure of the education service cooperatives established under the  
12 provisions of this subchapter, contingent upon the availability of funds for  
13 that purpose and upon a majority vote of the members of the education service  
14 cooperative's board of directors present and voting.

15 (b) This structure shall include:

16 (1) Salaries and fringe benefits for a director, a teacher  
17 center coordinator, and support staff;

18 (2) Costs such as travel, utilities, rent, equipment, and  
19 supplies;

20 (3) Funds to support staff and curriculum development  
21 activities; and

22 (4) Funds in an annual amount not to exceed twenty-five thousand  
23 dollars (\$25,000) for the travel expenses of itinerant personnel employed by  
24 the education service cooperative to serve the part-time needs of local  
25 districts.

26 (c) School districts may contract with their education service  
27 cooperative for services and part-time personnel to be supported in whole or  
28 in part by local funds, but no school district shall be assessed a membership  
29 fee.

30 (d) Categorical ~~state or~~ federal funds may also be assigned to any  
31 education service cooperative upon approval of its governing body and under  
32 conditions set by the State Board of Education.

33 (e) As a public agency, each education service cooperative shall be  
34 eligible to receive and expend ~~public and~~ private funds.

35 (f)(1) Beginning with the 2005-2006 fiscal year, the Department of  
36 Education shall not distribute any funding directly to the education service

1 cooperatives.

2 (2) School districts within each service area may agree to fund  
 3 programs and services provided to the school districts by the education  
 4 service cooperative out of funding provided to school districts for such  
 5 purposes.

6 (g)(1) An amount equal to the funding received by each education  
 7 service cooperative from the Department of Education for the 2003-2004 and  
 8 2004-2005 biennium shall be distributed to the school districts served by the  
 9 education service cooperatives.

10 (2) The funds distributed to school districts shall be divided  
 11 based on the total third-quarter average daily membership for the 2004-2005  
 12 school year for all of the school districts in the state served by an  
 13 education service cooperative and then further divided by and distributed to  
 14 each school district in the respective service areas based on each school  
 15 district's third-quarter average daily membership for the 2004-2005 school  
 16 year.

17 (3) The funds distributed to school districts under this  
 18 subsection (g) shall be used by the school district to fund programs and  
 19 services previously provided to the school district by the education service  
 20 cooperative.

21  
 22 SECTION 9. Arkansas Code § 6-13-1021 is amended to read as follows:

23 6-13-1021. Evaluations.

24 (a) Within each five-year period, on a schedule established by the  
 25 Director of the Department of Education, all active education service  
 26 cooperatives must be visited by an evaluation committee of not more than nine  
 27 (9) persons.

28 (b) Each evaluation shall include, but not be limited to, an  
 29 investigation of user satisfaction, service adequacy, extent of local  
 30 financial support, staff qualifications, and performance and administration  
 31 effectiveness.

32 (c)(1) The report of this committee shall be filed with the  
 33 cooperative visited, with its constituent school districts, and with the  
 34 State Board of Education.

35 (2) The board shall acknowledge receipt of the report and  
 36 comment on any deficiencies identified in the report which should be

1 corrected for the cooperative to remain eligible for base funding.

2 (d) The intent of this evaluation procedure is to provide a means for  
3 school districts to express their concerns about the operation of their  
4 cooperative and to ensure that each education service cooperative remains  
5 alert and responsive to the needs of the local schools it serves.

6 (e)(1) For each evaluation, the director shall appoint the committee  
7 and designate its chairperson.

8 (2) The committee shall include the following from outside the  
9 boundary of the education service cooperative being evaluated:

- 10 (A) A Department of Education staff member;
- 11 (B) A teacher;
- 12 (C) An administrator;
- 13 (D) A college staff member; and
- 14 (E) A present or former staff member of an area education  
15 service agency.

16 (3) In addition, the committee shall include from within the  
17 cooperative's area:

- 18 (A) A member of the school district board of directors;
- 19 (B) A representative of business and industry; and
- 20 (C) A school parent from each of two (2) school districts.

21 (4) ~~Each cooperative~~ The Department of Education shall pay the  
22 reasonable costs of its evaluation.

23  
24 SECTION 10. Arkansas Code § 6-13-1022 is amended to read as follows:  
25 6-13-1022. Dissolution of cooperative.

26 (a) After 1990, the State Board of Education shall be authorized to  
27 dissolve any education service cooperative upon the request of a majority of  
28 its school district boards of directors or upon the recommendation of the  
29 evaluation committee provided for in § 6-13-1021.

30 (b) A dissolved education service cooperative's area shall be  
31 assigned to one (1) or more adjacent education service cooperatives, the  
32 provisions of § 6-13-1003 notwithstanding, ~~with the dissolved cooperative's~~  
33 ~~base funding apportioned to all remaining education service cooperatives in~~  
34 ~~the state.~~

35  
36 SECTION 11. Arkansas Code § 6-13-1026 is amended to read as follows:

1           6-13-1026. Cooperatives qualify as local education agencies.

2           (a) The General Assembly designates that the education service  
3 cooperatives created by this subchapter meet the definition of "local  
4 education agencies" by virtue of the fact that each is a public authority,  
5 legally constituted within this state to perform a service function for a  
6 public elementary and secondary school in school districts and other  
7 political subdivisions of the state and to form a consortia of school  
8 districts which are recognized by the General Assembly as administrative  
9 agents for public elementary and secondary schools.

10          (b) This section intends to recognize the function of the cooperatives  
11 and to provide eligibility to cooperatives to receive ~~state and~~ federal funds  
12 upon written requests from the school districts.

13  
14          SECTION 12. Arkansas Code § 6-15-504 is amended to read as follows:

15          6-15-504. Home-schooled students - Achievement tests - Enrollment or  
16 reenrollment in local schools.

17          (a) Each student enrolled in a home school program who is considered  
18 to be at grade level or no more than two (2) years beyond the normal age for  
19 the appropriate grade for which the state mandates norm-referenced tests for  
20 public school students shall be tested using a nationally recognized norm-  
21 referenced achievement test selected by the State Board of Education.

22          (b)(1)(A) The administration of the tests required of home-schooled  
23 students shall be by the school district where the child resides unless the  
24 directors of the education service cooperatives established under § 6-13-1001  
25 et seq. receive funding from the respective school districts for such  
26 purpose, or as otherwise designated by the Department of Education.

27                 (B) For the purposes of this section, the superintendents  
28 of the Little Rock School District, North Little Rock School District, and  
29 Pulaski County Special School District shall act in lieu of an education  
30 service cooperative director.

31          (2) The directors of the education service cooperatives  
32 administering the tests shall establish a common set of procedures approved  
33 by the Director of the Department of Education for the proper administration  
34 of the tests required by this section.

35          (3) The administration shall include purchasing the test  
36 materials, giving the tests, scoring and interpreting the tests, and

1 reporting test results.

2 (c) The cost of testing required by this section shall be the  
3 responsibility of the department ~~when the tests are administered by the~~  
4 ~~directors of the education service cooperatives~~ payable directly to the  
5 school districts or other department designees.

6 (d)(1) Alternate testing procedures may be approved by the ~~director of~~  
7 ~~an education service cooperative~~ superintendent of the school district after  
8 consultation with the parents of a home-schooled student.

9 (2) However, any costs associated with an alternate testing  
10 procedure shall be the responsibility of the parents.

11 (e)(1)(A) Any student who refuses to participate in the testing  
12 program or the alternate testing program required by this section has not met  
13 the statutory prerequisites for home schooling and, as any other student,  
14 shall be subject to the applicable Arkansas laws regarding truancy.

15 (B) After a student corrects any refusal to participate in  
16 the testing program or the alternate testing program as determined by the  
17 department and required by this subsection, the student shall be restored to  
18 home school status after his or her parent or guardian has complied with all  
19 requirements of § 6-15-503.

20 (2) This subsection shall not be applicable to any parent who  
21 can present written acknowledgement that the child has been enrolled in a  
22 public, private, or parochial school within thirty (30) days of the  
23 administration of the state-mandated achievement test.

24 (f)(1) Each local school district may assess any home-schooled student  
25 who enrolls or reenrolls in the district in order to determine proper  
26 educational placement.

27 (2) Among other means of assessment, the local school district  
28 shall utilize the norm-referenced test approved by the board to assess the  
29 student and shall determine placement in the appropriate grade level as  
30 indicated by the test results.

31 (g) Any home-schooled student who enrolls or reenrolls in a local  
32 school district must attend classes for at least nine (9) months immediately  
33 before graduation before the student can become eligible to receive a high  
34 school diploma from the district.

35  
36 SECTION 13. Arkansas Code § 6-20-818 is repealed.



~~6-20-818. Loans to education service cooperatives.~~

~~(a) Subject to the conditions and limitations of this section, any education service cooperative established under § 6-13-1001 et seq. may borrow, and the State Board of Education may lend, moneys in the Revolving Loan Fund.~~

~~(b) The maximum amount of money an education service cooperative may owe the Revolving Loan Fund at any one (1) time is that equal to a six-month's basic grant for the fiscal year in which a loan is sought.~~

~~(c) The board of directors of any education service cooperative desiring to borrow money from the Revolving Loan Fund, acting through its director, shall file a formal application with the board. The application shall contain the following information:~~

~~(1) The name and location of the cooperative;~~

~~(2) The date and place of the meeting of the board at which action was taken authorizing the director to make formal application for a loan;~~

~~(3) The estimated amount which it proposes to borrow, together with supporting evidence upon which the estimate is based;~~

~~(4) The purpose for which the proceeds of the loan would be used;~~

~~(5) The security for the loan and the method and schedule for repayment; and~~

~~(6) Such additional information as may be required by the board.~~

~~(d) After considering the merits of each application, the board may, in its discretion:~~

~~(1) Approve the application for the full amount of the proposed loan;~~

~~(2) Approve the application for a loan of a lesser amount than the amount requested; or~~

~~(3) Disapprove the application.~~

~~(e) Each such loan, which is to be paid in full as to both principal and interest within or at the end of ten (10) years from the date of its approval by the board, shall be evidenced by a certificate executed by the Director of the Department of Education. Thereafter, each such certificate shall be a negotiable instrument.~~