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.

1 2	State of Arkansas 86th General Assembly	A Bill	
3	Regular Session, 2007		HOUSE BILL 1441
4			
5	By: Representatives Pickett, V	Vills	
6			
7			
8	For An Act To Be Entitled		
9	AN ACT TO PROHIBIT THE USE OF PUBLIC FUNDS BY		
10	PUBLIC SCHOOLS AND SCHOOL BOARDS FOR THE BENEFIT		
11	OF INDIVIDUALS EXCEPT IN CERTAIN CIRCUMSTANCES;		
12	AND FOR	OTHER PURPOSES.	
13		C1 4*41-	
14	Subtitle		
15		OHIBIT THE USE OF PUBLIC FUNDS BY	
16		C SCHOOLS AND SCHOOL BOARDS FOR	
17		IT OF INDIVIDUALS EXCEPT IN CERTA	AIN
18	CIRCU	MSTANCES.	
19			
20			
21	BE II ENACIED BY THE G	ENERAL ASSEMBLY OF THE STATE OF A	AKKANSAS:
22 23	SECTION 1. Arl	ranges Code & 6 21 110 is smended	to road as follows.
23 24	SECTION 1. Arkansas Code § 6-21-110 is amended to read as follows: 6-21-110. Rules and regulations governing disposition of school		
24	property.	and regulations governing dispos	SILION OF SCHOOL
26		in this section , :	
27		liate "Immediate family member" m	neans an individual's
28			
29	spouse, children <u>a child</u> of the individual or <u>the</u> spouse, a child's spouse, parents <u>a parent</u> of the individual or the spouse, brothers and sisters <u>a</u>		
30	brother or sister of the individual, anyone living or residing in the same		
31	residence or household with the individual or the spouse, and anyone acting		
32	or serving as an agent of the individual+;		
33	(2) "Individual" means any natural person or legal entity,		
34	including without limitation a public educational entity employee, school		
35	board member, or student;		
36	(3)(A) As used in this section, "public "Public educational		



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1 entities" entity" means an Arkansas public school districts district, charter 2 schools school, educational cooperatives cooperative established under The Public School Educational Cooperative Act of 1981, § 6-13-901 et seq., 3 4 education service cooperative established under The Education Service Cooperative Act of 1985, § 6-13-1001 et seq., or any publicly supported 5 6 entity having supervision over public educational entities. 7 (B) Public educational entity does not include 8 institutions of higher education-; and 9 (4) "Public funds" means any funds, moneys, receivables, grants, investments, instruments, real or personal property, or other assets, 10 11 liabilities, equities, revenues, receipts, or disbursements belonging to, held by or for, or passed through a public school or public school district. 12 (b) It is hereby declared against public policy and prohibited for any 13 public educational entity to give, donate, or transfer without adequate 14 15 market value consideration any public property to administrators, board 16 members, or employees an administrator, school board member, or employee of 17 the public educational entity, or the individual's immediate family members 18 member of any of these individuals. 19 (c)(1) Public A public educational entities are entity is prohibited 20 from giving public property or expending public funds for the sole benefit of 21 an individual or the individual's immediate family member unless the gift or 22 expenditure is: 23 (A) Property having a value of over not more than one 24 hundred dollars (\$100) that is given to a leaving or retiring school board 25 members, administrators, employees, member, administrator, or employee of the 26 public educational entity or members of their immediate family; 27 (B) An academic award; 28 (C)(i) A reimbursement of travel expenses of an 29 administrative employee or school board member incurred in the performance of 30 his or her job duties. 31 (ii) Public funds shall not be used by a public 32 educational entity to pay or reimburse the expenses of an immediate family 33 member of an administrative employee or board member; (D) A reimbursement made pursuant to § 6-17-109, 6-17-307, 34 35 6-17-308, 6-17-2505, 6-21-303, or 6-24-108 or otherwise specifically 36 authorized by law; or

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1	(E) The educational costs for an individual paid or		
2	reimbursed pursuant to § 6-20-104 or 6-20-107.		
3	(2) Except as authorized in this section, this subsection (c) is		
4	intended to prohibit any gift or expenditure by a public educational entity		
5	to an individual or an individual's family member of any public funds or		
6	school property of monetary value, including:		
7	<u>(A) Cash;</u>		
8	(B) Property that may be sold or exchanged for cash; or		
9	(C) An award or prize that rewards only an individual or		
10	an individual's immediate family member.		
11	(d) Unless specifically mandated by law or court order, public		
12	educational entities are prohibited from retroactively raising the salary,		
13	granting stipends, or providing other compensation for an administrator		
14	beyond the current fiscal year.		
15	(e) The State Board of Education shall establish rules and regulations		
16	consistent with the provisions of this section regarding the disposition of		
17	public property by public educational entities.		
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