

State of Arkansas  
93rd General Assembly  
Regular Session, 2021

# A Bill

SENATE BILL 540

By: Senator B. Davis  
By: Representative Gonzales

## For An Act To Be Entitled

AN ACT CONCERNING A CONTRACT OF EMPLOYMENT FOR A PUBLIC SCHOOL DISTRICT SUPERINTENDENT; TO SPECIFY TERMS REGARDING TERMINATION AND BUYOUT AGREEMENTS THAT A CONTRACT OF EMPLOYMENT FOR A PUBLIC SCHOOL DISTRICT SUPERINTENDENT SHALL INCLUDE; AND FOR OTHER PURPOSES.

## Subtitle

TO SPECIFY TERMS REGARDING TERMINATION AND BUYOUT AGREEMENTS THAT A CONTRACT OF EMPLOYMENT FOR A PUBLIC SCHOOL DISTRICT SUPERINTENDENT SHALL INCLUDE.

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

SECTION 1. Arkansas Code § 6-17-301(b), concerning the contract of employment for a superintendent, is amended to read as follows:

(b)(1) A superintendent's contract of employment or an amendment to a superintendent's contract of employment with a school district ~~may~~ shall include standards for which a superintendent may be terminated for cause and without the school district's having any further financial obligation to the superintendent ~~if:~~

~~(1) The school district has:~~

~~(A) Been placed on fiscal distress by the Division of Elementary and Secondary Education because of:~~

~~(i) Commitments made by the superintendent of which~~



~~the school district board of directors had no notice or knowledge; or  
(ii) A material misrepresentation made by the superintendent concerning the school district's finances that the school district board of directors relied upon to the detriment of the school district;~~

~~(B) Exhausted all appeals of the division's decision regarding the fiscal distress determination;~~

~~(2) The superintendent was provided:~~

~~(A) Notice of the reason for termination;~~

~~(B) A hearing to allow the superintendent to explain or rebut the reasons stated in the notice; and~~

~~(C) A record of the hearing provided at the expense of the school district; and~~

~~(3) The superintendent's contract was terminated by a majority vote of the full school district board of directors after the hearing described in subdivision (b)(2) of this section.~~

(2) A contract buyout agreement shall not:

(A)(i) Use more than twelve (12) months' worth of state funds to compensate an outgoing superintendent.

(ii) However, the use of state funds for a contract buyout agreement shall not exceed the amount of money owed to the superintendent under the remainder of his or her contract of employment with a school district; or

(B) Use state funds to compensate an outgoing superintendent for any term exceeding the remainder of the current fiscal year.

(3) Subdivision (b)(1) of this section does not prohibit a public school district from authorizing an outgoing superintendent to obtain employment as either a teacher or other agreed-upon employment position other than the position of superintendent within the public school district.