

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

As Engrossed: H2/13/23 H3/29/23
A Bill

HOUSE BILL 1192

By: Representative Eubanks
By: Senator Flippo

For An Act To Be Entitled

AN ACT TO REPEAL THE PUBLIC SCHOOL EDUCATIONAL COOPERATIVE ACT OF 1981; TO AMEND THE EDUCATION SERVICE COOPERATIVE ACT OF 1985; TO AMEND THE LAW CONCERNING A BOARD OF DIRECTORS THAT GOVERNS AN EDUCATION SERVICE COOPERATIVE; AND FOR OTHER PURPOSES.

Subtitle

TO REPEAL THE PUBLIC SCHOOL EDUCATIONAL COOPERATIVE ACT OF 1981; AND TO AMEND THE EDUCATION SERVICE COOPERATIVE ACT OF 1985.

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

SECTION 1. Arkansas Code Title 6, Chapter 13, Subchapter 9, is repealed.

~~6-13-901. Title.~~

~~The title of this subchapter shall be "The Public School Educational Cooperative Act of 1981".~~

~~6-13-902. Definitions.~~

~~As used in this subchapter:~~

~~(1) "Educational cooperative" means a voluntary association of school districts to share resources, personnel, materials, and equipment and to provide and improve services and programs to students; and~~



~~(2) "Public school district" means any public school district in the state serving students in a kindergarten through grade twelve (K-12) program or a grade one through twelve (1-12) program.~~

~~6-13-903. Powers.~~

~~(a) Public school districts in the State of Arkansas are empowered to voluntarily agree to share programs, personnel, materials, and equipment for the purpose of enlarging curriculum or services or providing new services to students in their respective school districts.~~

~~(b) The educational cooperatives are empowered to receive state, local, and federal funds that have been assigned to the educational cooperatives by the member school districts and are also empowered to spend those funds on behalf of the school districts assigning those funds.~~

~~(c) The Division of Elementary and Secondary Education shall not distribute state equalization aid directly to any educational cooperative.~~

~~6-13-904. Agents for school districts.~~

~~(a) The educational cooperatives will act as an agency for all or some of the member school districts in dealings with other governmental and private agencies.~~

~~(b) The educational cooperatives will have the power to contract and handle funds for the member school districts under conditions specified in the agreement between the member school districts and federal law and regulations and state law and rule.~~

~~6-13-905. Board of directors.~~

~~(a) Each educational cooperative will be governed by a board of directors consisting of one (1) representative appointed by the board of directors of each cooperating school district.~~

~~(b) The board of directors shall be empowered to hire a director and other employees and to contract for services, supplies, and equipment.~~

~~(c) Policies for the operation of the educational cooperative will be developed by the board of directors and be filed with the Division of Elementary and Secondary Education as required by law of school districts generally.~~

~~6-13-906. Rules and reports.~~

~~(a) The educational cooperative will:~~

~~(1) Abide by all rules of the Division of Elementary and Secondary Education which apply to school districts generally; and~~

~~(2) Make all reports as required by law and rule which apply to school districts generally to the division.~~

~~(b)(1) Records of the expenditures and receipts of the educational cooperatives shall be kept in such manner and on such forms as may be specified by the division or the School Audit Section of Arkansas Legislative Audit.~~

~~(2) Reports on expenditures and receipts shall be made for the cooperative as a single agency or shall be made separately by the school districts to reflect the status of each member school district at such time and in such manner as specified by the division.~~

SECTION 2. Arkansas Code § 6-13-1006 is amended to read as follows:

6-13-1006. Board of directors.

(a)(1)(A) Each education service cooperative shall be governed by a board of directors consisting of one (1) representative appointed by a voted resolution of each school district board of directors within the boundary of the education service cooperative that is a member of the education service cooperative during a legally held meeting of the school district board of directors.

(B) The resolution required under subdivision (a)(1)(A) of this section shall be:

(i) Signed by both the president and the secretary of a school district board of directors; and

(ii) Forwarded annually by June 30 to the director of the education service cooperative of which a school district is a member.

(2) A representative who is appointed under subdivision (a)(1)(A) of this section may include one (1) of the following:

(A) A superintendent of a school district within the boundary of an education service cooperative;

(B) An individual employed by a school district within the boundary of an education service cooperative;

(C) A member of a school district board of directors

within the boundary of an education service cooperative; or

(D) A member of a community that is within the boundary of an education service cooperative.

~~(b) No school district may have official representation on more than one (1) education service cooperative board of directors.~~

~~(e)(b)~~ The board of directors of each established education service cooperative shall:

(1) Function as a public corporate body;

(2)~~(A)~~ Meet, except as otherwise provided in § 6-13-1007, at least eight (8) times each year.

(B)(i) Each meeting of a board of directors of an education service cooperative shall be public.

(ii) The board of directors of each education service cooperative shall make the minutes of each of its meetings publicly available within a reasonable amount of time following the conclusion of a meeting; and

(3) Exercise general fiduciary responsibilities for the education service cooperative with regard to policies and practices which guard the integrity of the agency and maintain public trust in its operation.

(c) The first meeting of the board of directors shall be:

(1) Called by the member appointed by the Secretary of the Department of Education under subdivision (a)(4) of this section; and

(2) Held within thirty (30) days of the effective date of this act.

(d) At its first regular meeting, the board of directors shall elect a chair.

(e)(1) The term for a representative appointed under this section shall be two (2) years.

(2)(A) Each representative shall hold over after the expiration of his or her term until his or her successor shall be duly appointed and qualified.

(B) A school district board of directors within the boundary of an education service cooperative may reappoint an outgoing representative following the conclusion of his or her two-year term under this subsection (e).

(C) A vacancy shall be filled by the school district board

of directors that appointed the representative who previously served in the currently vacant position according to the requirements established by subsection (a) of this section.

~~(d) Such responsibilities~~ (f) Responsibilities of the board of directors, consistent with funds available, shall include, ~~but not be limited to~~ without limitation the following:

- (1) Employment of a director of the education service cooperative who shall serve as the nonvoting executive officer of the board of directors;
- (2) Establishment of policies and procedures for the operation and management of the education service cooperative, which shall be in written form and shall be filed with the State Board of Education;
- (3) Preparation of an annual budget estimating income and expenditures for programs and services in accordance with procedures established by the state board;
- (4) Receipt and expenditure of funds needed to provide programs and services in the area;
- (5) Making such surveys or other inquiries which may be required to determine the service needs of school districts in the education service cooperative and developing plans to provide such needed services;
- (6) Employment, upon the recommendation of the director of the education service cooperative, of such personnel as may be required to provide the services requested by the school districts in the area;
- (7) Implementation of policies established by the state board for the operation of education service cooperatives;
- (8) Cooperation with other education service cooperatives, school districts, and other agencies to provide programs and services for children and adults residing within their respective areas;
- (9) For facilities and buildings as may be required to provide authorized programs and services:
 - (A) Renting, leasing, purchasing, constructing, or receiving by gift;
 - (B) Borrowing from the Revolving Loan Fund under § 6-20-818; or
 - (C) Borrowing from other sources for limited or unusual circumstances upon approval of the Commissioner of Elementary and Secondary

Education and the Secretary of the Department of Finance and Administration;
and

(10) Carrying out such other duties as may be required for the efficient operation of the education service cooperative for which the board of directors is responsible.

(g) Members of the board of directors shall be paid per diem and mileage at the rate established by law for attending meetings of the board of directors.

(h) In addition to evaluations required under § 6-13-1021, each board of directors of an education service cooperative shall:

(1) Compile data that demonstrates what, if any, improvement has been achieved with respect to the performance of students enrolled in public school districts within the boundary of the education service cooperative in light of the programs and services offered by the education service cooperative; and

(2) Annually by July 1, provide the data compiled under subdivision (h)(1) of this section to each school district within the boundary of the education service cooperative.

SECTION 2. Arkansas Code § 6-13-1007 is repealed.

~~6-13-1007. Executive committee.~~

~~(a)(1) In a meeting, with a majority of its members present and voting, the board of directors of an education service cooperative may elect from its membership an executive committee of seven (7), nine (9), or eleven (11) members.~~

~~(2) Candidates for the executive committee, if one is formed, shall be chosen so that the school districts within the education service cooperative are equitably represented.~~

~~(3) All subsequent members of the executive committee shall be elected by a majority vote of the board of directors in attendance at the annual meeting.~~

~~(b) The function of the executive committee shall be to carry out those duties delegated to it by the governing board of directors, the provisions of § 6-13-1006 notwithstanding.~~

~~(c) Terms of executive committee members shall be three (3) years except for the initial members which shall have terms assigned by lot so as~~

~~to stagger terms to equalize as nearly as possible the number of members to be elected each year. Vacancies occurring after the annual meeting shall be filled by the executive committee until the next annual meeting.~~

~~(d) Should an executive committee be established in any education service cooperative, it shall meet at least nine (9) times per year, and the requirements for board of directors meetings shall be reduced to three (3) times annually. The president of the board of directors shall serve as chair of the executive committee. No person, however, may serve in this position for more than two (2) consecutive years.~~

SECTION 3. EFFECTIVE DATE. This act is effective on and after January 1, 2024.

/s/Eubanks