Stricken language would be deleted from and underlined language would be added to the Code of Arkansas Rules.

Proposed Rulemaking

Title

Promulgated by:

Title 13. Libraries, Archives, and Cultural Resources
Chapter I. Arkansas State Library, Department of Education
Subchapter A. Generally
Part 4. Rules Governing State Aid to Public Libraries
Subpart 1. Generally

13 CAR § 4-101. Authority.

The Arkansas State Library Board enacts these rules pursuant to its authority in Arkansas Code § 13-2-201 et seq, Arkansas Code § 25-15-203, and Act 543 of 2025 §10(v).

13 CAR § 4-102. Eligible Entities.

(a) To be eligible to receive state aid from under this part, a public library must be a:

(1) County library that is organized in accordance with Arkansas Code § 13-2 401 et seq;

(2) Municipal library that is organized in accordance with Arkansas Code § 13-2-501 et seq;

(3) Regional library that is organized and operated in accordance with Arkansas Code § 13-2-901 et seq;

DRAFT

(4) Public library system composed of county and city libraries operating under an interlocal agreement that is organized and operates in accordance with Arkansas Code §§ 14-14-910 and 25-20-101 et seq; or

(5) Public library organized as a Public Body Corporate and Politic that is organized and operated in accordance with Arkansas Code § 25-20-201 et seq.

(b) A public library not described in subsection (a) is not eligible to receive state aid under this part.

(c)(1) A library described in subdivisions (a)(1) and (a)(2) that is also a part of a library system described in subdivisions (a)(3),(a)(4), or (a)(5) of this section shall not qualify to receive state aid directly as an individual library described in subdivisions (a)(1) and (a)(2) of this section.

(2) A library system described in subdivisions (a)(3), (a)(4), and (a)(5) of this section shall ensure that not less than ninety (90%) percent of the state aid distributed pursuant to 13 CAR § 4-111(a)(3) is;

(A) Used for the direct benefit of all public libraries in the system; or

(B) Allocated on a per capita basis to the libraries that make up the system and are described in subdivisions (a)(1) and (a)(2) of this section.

13 CAR § 4-103. Determination of Compliance.

(a) An eligible public library that complies with the requirements of this part shall receive state aid as provided in this part.

(1) Not less than thirty (30) days prior to the last State Library Board meeting of the fiscal year the Arkansas State Library shall transmit to the members of the State Library Board:

(A) A list of all public libraries located in the State of Arkansas and described in section 13 CAR § 4-102 of this part;

(B) A recommendation to the State Library Board regarding whether each public library is eligible to receive state aid; and

(C) A detailed rationale for each public library not recommended for state aid.

(2) Not less than thirty (30) days prior to the last scheduled State Library Board meeting of the fiscal year the Arkansas State Library shall transmit to all eligible libraries:

(A) Notice of whether the public library was identified as eligible to receive state aid in Subsection (a)(1)(B); and

(B) The rationale provided to the State Library Board under subsection (a)(1)(C).

(3) A public library that is not recommended for funding may provide supplemental documentation and written analysis demonstrating that the public library satisfies the requirements of this part no less than fifteen (15) days prior to the meeting.

(b) The State Library Board shall determine whether each public library is eligible to receive state aid in the upcoming fiscal year in the last board meeting of the fiscal year.

(1) If the State Library Board determines that a public library is not eligible to receive funding under this part, the State Library Board shall give written notice stating the provision of this part that was the basis for the determination.

(2) The State Library Board shall provide the public library determined not to be eligible under this section a hearing under section 13 CAR § 4-104 of this part prior to the first distribution of funds.

(c) The determination that a public library is eligible for state aid under this part shall remain in effect until:

(1) The end of the fiscal year; or

(2) The State Library Board acts on new information which demonstrates the public library is no longer in compliance with the requirements of this part.

(d) If the State Library Board determines a public library is not eligible to receive funding under subsection (c)(2) of this section and the public library requests an appeal under 13 CAR § 4-104 of this part:

(1) The public library shall receive funding it would have otherwise received in the quarter its appeal is heard if the State Library Board concludes that the public

library was in compliance with the requirements of this part at the time the public library was initially determined not to be eligible for state aid.

(2) The public library shall not receive funding it would have otherwise received in the quarter its appeal is heard but shall receive future funding if the State Library Board concludes that the initial determination the public library was not in compliance with this part was correct at the time the determination was made but that the public library made changes so that it is in compliance with this part at the time its appeal is heard.

(3) The public library shall not receive funding for the remainder of the fiscal year if the State Library Board concludes that the public library is not in compliance with the requirements of this part.

(e) The State Library Board may exercise discretion to waive a requirement of this part for a period of up to twelve (12) months to correct a deficiency if:

(1) The waiver is in the best interest of the taxpayers served by the public library; and

(2) The deficiency requiring a waiver is not related to a failure to maintain sound financial practices.

13 CAR § 4-104. Right of Appeal.

(a) Upon determination by the State Library Board that a public library is not eligible to receive state aid under this part, the public library shall have the right to appeal that determination at the earlier of:

(1) The next scheduled meeting of the State Library Board; or

(2) A special meeting called to consider the appeal.

(b) Intent to appeal must be filed in writing with the Arkansas State Library not more than fifteen (15) days following receipt of notice that the public library was determined not to qualify for state aid under this part.

(c) All appeals shall be presented to the State Library Board in an open hearing, with the final determination to be made by the State Library Board.

(1) The public library shall be given ten (10) minutes to present information that demonstrates why the public library should be deemed eligible for state aid under this part;

(2) The director of the Arkansas State Library or the director's designee shall be given ten (10) minutes to present information that demonstrates that the public library does not qualify for state aid under this part.

13 CAR § 4-105. Governance.

(a) To qualify for state aid under this part, the governance of a public library shall meet the following requirements:

(1) The public library shall be governed by a board that complies with the requirements of state law applicable to that public library unless the public library is authorized by law to operate without a governing board;

(2) If governed by a board, the board shall meet not less than four (4) times per year;

(3) The public library shall conduct business in compliance with established bylaws and policies on file with the Arkansas State Library;

(4) The governing board of the public library, or other entity authorized by law to govern a public library, shall adopt written policies addressing the following:

(A) The development of the public library's collection of materials and resources;

(B) The consideration of challenges to materials and resources;

(C) Unattended children in the public library; and

(D) Computer use, as defined by Arkansas Code § 13-2-103.

(b)(1) To qualify for state aid under this part, each board member of a public library shall attend a board orientation program provided by the Arkansas State Library within six (6) months of the beginning of his or her first term of office.

(2) Board orientation may be completed virtually or in person.

13 CAR § 4-106. Local Funding

(a) To qualify for state aid under this part, a public library shall:

(1) Maintain one mill county or city library tax on real and personal property as authorized by Amendments 30 and 38 of the Arkansas Constitution; or

(2) Provide documentation demonstrating availability of funding in an amount equal to:

(A) The public library's current operations budget for one year; or

(B) The revenue that one mill of tax levied for the benefit of the public library would have generated in the prior tax year.

(b)(1) In addition to the requirements of subsection (a) of this section, a public library must maintain an annual operating budget equal to or greater than ninety five percent (95%) of the average of the three previous years' annual operating budgets.

(2) The following shall not be considered in determining whether the annual operations budget satisfies the requirements of this subsection:

(A) One-time capital funding outlays;

(B) Revenue from library fees and fines; and

(C) Income from endowments.

13 CAR § 4-107. Financial Accountability Requirements.

(a) To qualify for state aid under this part, the public library shall:

(1) Provide a completed audit for each fiscal year;

(2) Provide a strategic plan covering a three year period;

(3) Provide an annual report analyzing all programs, initiative, and outcomes as they relate to the strategic plan when submitting the Annual Public Library Survey;

(4) Provide an annual budget which identifies all sources of funding to the public library;

(5) Provide quarterly spending reports;

(6) Maintain sound financial practices; and

(7) Maintain operations that benefit the citizens served by the public library and are consistent with the purpose of a public library.

(b)(1) The audit required under this section shall be conducted by:

(A) Arkansas Legislative Audit if the public library is subject to audit by Arkansas Legislative Audit; or

(B) A certified public accountant conducting an audit following generally accepted auditing standards if the public library system is not subject to a comprehensive legislative audit.

(2) The results of the audit, including any findings made during the audit, shall be submitted to the Arkansas State Library within ninety (90) days of completion.

(3)(A) A public library not subject to a comprehensive audit by Arkansas Legislative Audit shall submit the results of an audit, including any findings made during the audit, no later than April 30th.

(B) The audit submitted under subsection (b)(3) of this section shall:

(i) Be the most current audit available;

(ii) Cover a period of time not more than twenty-four (24) months prior to the date it is filed; and

(iii) Evaluate:

(*a*) All entities which comprise a public library; or

(*b*) Those entities that comprise the public library which are not subject to audit by Arkansas Legislative Audit if the Arkansas Legislative Audit results, including any findings made during the audit, are incorporated or provided separately within ninety (90) days of completion.

(c) The strategic plan required under this section shall:

(1) Be provided no later than April 30th of the year prior to the fiscal year in which the plan or any amendment to the plan takes effect;

(2) Describe the following:

(A) The intended goals of the library

(B) Financial planning necessary to achieve those goals; and

(C) Describe the role state aid and federal aid play in the strategic plan;

(3) Outline how the library will partner with and support all local schools and educational service cooperatives within the service territory of the library to prioritize literacy and improve reading achievement;

(4) Be adopted by the governing board of a public library or other entity authorized by law to govern a public library;

(5) Be based on sound financial practices; and

(6) Contemplate operations that are consistent with the purpose of a public library.

(d)(1) The draft annual budget, or current annual budget if no draft is yet available, shall be provided no later than April 30th of the year prior to the fiscal year in which the plan or any amendment to the plan takes effect;

(2) Any changes of more than ten percent (10%) in the funding level or allocation of funding in the annual budget shall be provided to the Arkansas State Library within ninety (90) days of adoption by the governing board or other entity authorized by law to govern a public library.

(e) The quarterly spending reports required under this section shall:

(1) Be submitted to the Arkansas State Library within ninety (90) days of the end of each quarter; and

(2) Provide clear records detailing the amount and purpose of all expenses organized by category involving funds provided under this part.

(f) Prior to finding that a public library does not qualify to receive state aid under subsection (a)(6) of this section, the State Library Board shall give the public library notice of the components of the strategic plan, policies, or spending practices which it finds to be a violation of this provision and allow the public library a period not less than thirty (30) days to make changes in order to remain eligible to receive state aid under this part.

13 CAR § 4-108. Personnel.

(a) Except as provided in subsection (b) of this section, to be eligible to receive state aid under this part, the public library's state aid shall be administered by a qualified director who meets the following requirements:

(1) Holds a bachelor's degree or graduate degree in a library science related program from an institution accredited by an agency recognized by the United States Department of Education or Council on Higher Education Accreditation combined with not less than three (3) years of experience in public library administration; and

(A) The completion of not fewer than twelve (12) hours of postsecondary courses that include the following subject matter: Collection Development, Personnel Management, Library Technology, and Financial Management; or

(B) Completion of a training program approved by the Arkansas State Library that includes professional training related to the successful operation of public libraries in Arkansas; or

(2) Work experience in the field of library operations that was determined to be sufficient to substitute for the requirement under (a)(1) of this section if the work experience is determined to be sufficient by the entity with the authority to hire the director.

(b) A public library director who is employed at the time these rules are adopted shall have no more than two (2) years to:

(1) Meet the requirements of subsection (a)(1); or

(2) Obtain approval from the library's governing board that the director's work experience in the field of library operation is sufficient to substitute for the requirements of subsection (a)(1).

13 CAR § 4-109. Library Resources.

(a) In order to qualify for state aid under this part, a public library shall:

(1) Maintain a current collection of materials that provides quality resources for Arkansans based on the needs of the community;

(2) Take all reasonable steps to ensure the content of the collection complies with the requirements of Arkansas law and federal law;

(3) Take all reasonable steps to ensure a patron under the age of sixteen (16) may not check out materials that are sexually explicit materials or materials designated for adult readers by the publisher without parental consent;

(4) Not knowingly include sexually explicit materials in promotions or advertisements; and

(5) Take all reasonable steps to ensure the sexually explicit materials, as provided in subsection (b) of this section, are placed in a section designated for patrons eighteen (18) years old or older.

(b)(1) For the purposes of this part, sexually explicit materials include books, media, or any other material which contains images or description of:

(A) Sexual acts as defined in 18 U.S.C. § 2246, as it existed on January 1, 2026;

(B) Sexual contact as defined in 18 U.S.C. § 2246, as it existed on January 1, 2026; or

(C) Human genitalia.

(2) If a parent or guardian provides prior written authorization, a public library may provide age-appropriate information designed to prepare minors for the sociology of puberty to a minor person who is eleven (11) years of age or older.

13 CAR § 4-110. Records.

(a) In order to qualify for state aid under this part, a public library shall provide the following to the Arkansas State Library:

(1) The Annual Public Library Survey at the time designated by the Arkansas State Library;

(2) All other reports or documents requested in writing by the Arkansas State Library;

(3) Information and documentation necessary to determine that the library director satisfies the requirements of personnel described in 13 CAR § 4-108 of this part;

(4) Names and contact information of the library director and the members of the public library's governing board;

(5) A copy of the trustee's report required under Arkansas Code § 13-2-509, if applicable; and

(6) An annual assurance signed by the library director and the library board chair stating that the public library is in compliance with the requirements of this part on a form provided by the Arkansas State Library.

(b) Unless otherwise provided, documents required under this subsection shall be provided no later than April 30th prior to the fiscal year to which the document relates.

13 CAR § 4-111. Distribution of State Aid.

(a) State aid shall be distributed pursuant to the following provisions:

(1) Each qualifying public library shall receive a base allocation of aid that shall be the same amount for all qualifying public libraries under this part.

(A) The amount of the base allocation shall be set by the State Library Board.

(B) The total amount of the base allocation shall be not less than thirteen (13%) percent of the total appropriation for State Aid in the fiscal year in which the aid is distributed.

(2) The State Library Board may establish incentive programs in order to improve public libraries in Arkansas based on the policy goals of the State Library Board and consistent with the public policy of the State of Arkansas.

(A) Any incentive program established under this part shall not exceed five (5%) percent of the total appropriation for State Aid in the fiscal year in which the aid is distributed.

(B) Any incentive program shall have objective criteria that define whether a public library qualifies for the incentive program aid.

(3) The remaining funds appropriated for State Aid shall be distributed on the basis of the population within the political boundary which the public library serves to all qualifying public libraries in Arkansas according to the following provisions:

(A) When two qualifying libraries serve the same population, the population in question shall be allocated pursuant to the following:

(i) The population served by two libraries shall be counted entirely for the public library with a political boundary inside the political boundary of another qualifying public library.

(ii) The population served by two libraries shall not be counted for the public library with a political boundary extending outside the territory described in subdivision (a)(3)(A)(i) of this section.

(B) Population allocations shall be based on the most recent decennial census.

(b) State Aid shall be distributed to qualifying libraries, pursuant to subsection (a) of this section, in quarterly distributions.