

**Hall of the House of Representatives**  
84th General Assembly - Second Extraordinary Session, 2003  
**Amendment Form**

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**Subtitle of House Bill No. 1182**

"AN ACT PROVIDING EDUCATION REFORM; TO PROVIDE FOR EDUCATION  
FUNDING; TO ESTABLISH EDUCATIONAL ADEQUACY ACCOUNTING; AND TO  
CREATE A SUPPLEMENTAL TEACHER SALARY PLAN FOR DISTRICTS UNABLE TO  
MEET SALARY INCREASE REQUIREMENTS."

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**Amendment No. 1 to House Bill No. 1182.**

Amend House Bill No. 1182 as originally introduced:

Page 1, line 11 delete "EDUCATIONAL ADEQUACY ACCOUNTING" and substitute "THE EDUCATIONAL FACILITIES FUND ACCOUNT"

AND

Delete the Subtitle in its entirety and substitute the following:  
"AN ACT PROVIDING EDUCATION REFORM; TO PROVIDE FOR EDUCATION FUNDING; TO ESTABLISH THE EDUCATIONAL FACILITIES FUND ACCOUNT; AND TO CREATE A SUPPLEMENTAL TEACHER SALARY PLAN."

AND

Delete everything after the enacting clause and substitute the following:  
"SECTION 1. Arkansas Code § 6-20-2003(22), as added by Act 59 of the Second Extraordinary Session 2003, concerning the definitions used under the Public School Funding Act of 2003, is amended to read as follows:  
(22)(A) "Student growth funding" means the amount of state financial aid provided to each school district from the funds made available for that purpose.  
(B) For school year 2004-2005, student growth funding is calculated as ~~five thousand four hundred dollars (\$5,400)~~ five thousand two hundred fifty dollars (\$5,250) multiplied by the increase, if any, in the school district's two-quarter average of the average daily membership of the current school year over the local school district's average daily membership for the previous school year, excluding any increase resulting solely from consolidation or annexation with another school district;

SECTION 2. Arkansas Code § 6-20-2005(a)(2), as added by Act 59 of the Second Extraordinary Session 2003, concerning school funding, is amended to



read as follows:

(2) For the 2004-2005 school year, the foundation funding amount is equal to ~~five thousand four hundred dollars (\$5,400)~~ five thousand two hundred fifty dollars (\$5,250) times the average daily membership of the previous school year.

SECTION 3. Teacher salary supplement.

(a) As used in this section:

(1) "Average daily membership" has the same meaning as defined under § 6-20-2003 as added by Act 59 of the Second Extraordinary Session 2003;

(2) "District entry salary" means the salary for a teacher with a bachelor's degree and no experience based upon the school district's salary schedule for the 2002-2003 school year; and

(3) "State entry salary" means the salary for a classroom teacher with a bachelor's degree and no experience required by state law for the current school year.

(b)(1) Beginning with school year 2004-2005, any school district with a district entry salary for the previous school year that is less than the state entry salary required by state law shall be entitled to receive a salary supplement calculated as follows:

(A) The district's average daily membership for the previous school year shall be divided by twelve (12);

(B) The quotient of subdivision (b)(1)(A) shall be multiplied by the positive result of the state entry salary minus the district entry salary;

(C) The product of subdivision (b)(1)(B) shall be multiplied by one hundred and twenty-five percent (125%); and

(D) The product of subdivision (b)(1)(C) shall be the amount of the district's salary supplement.

(2) The following is an example of the formula set forth under subsection (b) of this section:

$[(ADM + 12) \times (\text{State entry salary} - \text{District entry salary})] \times (1.25) =$   
District's Salary Supplement

(c)(1) Any district with a district entry salary that meets or exceeds the state entry salary shall not receive a salary supplement under this section.

(2) Nothing in this section shall be construed to cause a reduction in any funding received by a school district, even if the district's entry salary meets or exceeds the state entry salary.

SECTION 4. Arkansas Code § 19-5-305(a), concerning accounts within the Public School Fund, is amended to add a new subdivision to read as follows:

(4)(A) Educational Facilities Fund Account. The Educational Facilities Fund Account shall be used for the improvement and construction of public school facilities and other purposes as determined by the General Assembly.

(B) For each fiscal year beginning July 1, 2004, the Treasurer of State shall transfer monthly from the Department of Education Public School Fund Account to the Educational Facilities Fund Account one-

twelfth (1/12) of an amount equal to one hundred fifty dollars (\$150) multiplied times the statewide average daily membership less the amount of funds distributed to school districts during the fiscal year as teacher salary supplements under Section 3 of the act that was introduced as House Bill 1182 of the Second Extraordinary Session 2003.

(C) For purposes of this subdivision (4):

(i) "Statewide average daily membership" means the sum of the average daily membership of all school districts for the school year preceding the fiscal year in which the transfer under subsection (b) is made; and

(ii) "Average daily membership" has the same meaning as defined under § 6-20-2003 as added by Act 59 of the Second Extraordinary Session 2003.

SECTION 5. Effective date.

This act shall become effective on July 1, 2004."

The Amendment was read \_\_\_\_\_

By: Representative Gillespie  
JDF/CDS - 02-06-2004 08:07  
CDS724

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Chief Clerk