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1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**

A Bill

SENATE BILL 564

4 **By: Senators Lewellen, Edwards, Jewell and Hardin**

5

6

For An Act To Be Entitled

7 "AN ACT TO AMEND SUBCHAPTER 3 OF CHAPTER 20 OF TITLE 6 OF
8 THE ARKANSAS CODE TO REQUIRE PUBLIC SCHOOL DISTRICTS TO
9 PAY CLASSIFIED PERSONNEL A REASONABLE AND PROPER AMOUNT OF
10 ITS REVENUE; AND FOR OTHER PURPOSES."

11

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

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14 SECTION 1. Subchapter 3 of Chapter 20 of Title 6 of the Arkansas Code
15 is hereby amended by inserting an additional section at the end thereof to
16 read as follows:

17 "6-20-321. Amount to be paid classified personnel.

18 (a) Classified personnel as defined under this section shall mean those
19 employees of the public schools who are paid from a combination of state and
20 local funds who are not required to have a certificate from the Arkansas
21 Department of Education as a condition of employment. Amounts paid classified
22 employees with restricted federal funds shall not be counted as satisfying the
23 requirements of this section, nor shall classified employees normally paid
24 with restricted federal funds be considered as eligible for payments made
25 under the requirements of this section; except that if a portion of the
26 employee's time is not devoted to federally funded programs and is paid from
27 State and local funds such amounts may be used in meeting the requirements of
28 this section.

29 (b) *Beginning with the 1993-94 school year and each year thereafter,*
30 each school district in the State shall pay its qualifying classified
31 personnel an amount at least equal to sixteen and one-half percent (16.5%) of
32 its net current revenue. Gross current revenue shall consist of the following
33 items: all property taxes actually collected including the forty percent
34 (40%) pullback, delinquent taxes, excess commissions, and land redemption;
35 revenue from any local government or in lieu of tax donations; tuition from

1 all sources; county apportionment, severance taxes; 16th section rents; all
2 unrestricted State aid; and all unrestricted federal revenue including public
3 law 81-874 (categories A and B) forest reserve, wild life refuge, flood
4 control, mineral leases, federal grazing, and any other revenue that may be
5 considered as in lieu of tax payments.

6 (c) Net current revenue shall be the gross current revenue as defined
7 in subsection (b) of this section less the following amounts:

8 (A) State transportation aid;

9 (B) set aside for textbook program aid;

10 (C) the amount required to meet principal and interest on the State
11 revolving loan program;

12 (D) the amount required to meet principal and interest on commercial
13 bonds; and

14 (E) for school years 1991-1992 through school year 1998-1999, the
15 amounts required to meet the principal and interest payments on lease purchase
16 agreements, installment contracts or post-dated warrants which are entered
17 into, executed, or issued for the purchase of school buses on or after July 1,
18 1991 to replace school buses constructed prior to April 1, 1977, may be
19 deleted from gross current revenue as defined in subsection (b) of this
20 section to determine net current revenue if during the preceding school year
21 the district expended all Transportation Aid Funds for the operation of the
22 district's pupil transportation program, the purchase of school buses and for
23 no other purpose and if the interest rate on the installment contract or lease
24 purchase agreement is less than the interest on loans from the Revolving Loan
25 Fund.

26 (d) If the requirements of this section shall cause any district to
27 have less than full term of school, that district may apply to the State Board
28 of Education for relief under regulations and criteria to be determined by the
29 State Department of Education in the administration of this section. It is
30 the intent of this section to insure that a reasonable and proper amount of
31 the districts' revenue be paid its classified personnel.

32 (e) Districts paying tuition to other districts for services requiring
33 instruction may include sixteen and one-half percent (16.5%) of the amount of
34 tuition paid toward meeting requirements for paying classified personnel in
35 the paying districts.

1 (f) Expenditures included in the sixteen and one-half percent (16.5%)
2 requirement shall include salaries paid to personnel as defined in subsection
3 (a) of this section, social security matching for such payments, unemployment
4 insurance payments, workers' compensation, sick leave actually paid, amounts
5 actually paid to classified employee substitutes, and other payments that are
6 recognized as fringe benefits to classified personnel.

7 (g) Any school district whose average salary for classified personnel
8 shall equal, as a minimum, one hundred percent (100%) of the average salary of
9 classified personnel for the previous year in the states adjoining Arkansas
10 plus the average percent of increase for classified personnel in such states
11 from the second previous year to the previous year, shall be exempt from the
12 requirements of this section. Data for this comparison shall be obtained from
13 the state education agencies of the adjoining states."
14

15 SECTION 2. Arkansas 6-20-319 is hereby amended by inserting an
16 additional subsection at the end thereof to read as follows:

17 "(6) Each year *beginning with the 1993-94 school year*, each district in
18 the State shall pay its classified personnel an amount equal to at least
19 sixteen and one-half percent (16.5%) of its net current revenue. *Beginning*
20 *with the 1991-92 school year and each year thereafter*, not less than eighty
21 percent (80%) of sixteen and one-half percent (16.5%) of each school
22 district's increase in net current revenue over the net current revenue
23 received the previous school year less the total salary expenditure required
24 to fund additional classified personnel added to the staff of the district in
25 the school year shall be divided equally among the *full-time* classified
26 personnel positions existing in the district in that year unless the board of
27 directors of the district and a majority of the classified personnel agree to
28 a different distribution. *'Full-time'* as used in this section shall mean
29 *those classified employees who are contracted for at least nine hundred (900)*
30 *hours annually. Part-time employees shall receive pro rata increases.* The
31 eighty percent (80%) of the seventy percent (70%) may be used to satisfy pay
32 increases for experience and additional hours or degrees under the district's
33 salary schedule if (1) the school board adopts the changes in the salary
34 schedule for the next school year either ten (10) days before the last day of
35 pupil attendance or before contracts are issued to classified personnel

1 whichever occurs first and distributes the eighty percent (80%) of the sixteen
2 and one-half percent (16.5%) equally among all *full-time* classified personnel
3 positions, or (2) the board and majority of the classified personnel agree to
4 an unequal distribution.

5 (B) The district shall file with the State Board of Education annually
6 salary schedules for its classified personnel which recognize a minimum level
7 of training and experience. This schedule shall reflect the actual pay
8 practices of the district, including all fringe benefits.

9 (C) The Department of Education shall have the authority to grant
10 exemptions from all requirements in this subdivision under guidelines approved
11 by the State Board of Education upon petition by a school district
12 demonstrating extenuating circumstances resulting from an extraordinary one-
13 time increase in net current revenue, such as the conversion of debt service
14 millage to maintenance and operation."

15

16 *SECTION 3. Of the monies received by the Public School Fund from the*
17 *Educational Excellence Trust Fund under Act 10 of 1991, any excess over*
18 *\$102,770,000 in fiscal year 1992 and any excess over \$109,200,000 in fiscal*
19 *year 1993 shall be used to reimburse school districts for non-certified*
20 *personnel costs.*

21

22 *SECTION 4. All provisions of this Act of a general and permanent nature*
23 *are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code*
24 *Revision Commission shall incorporate the same in the Code.*

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26 *SECTION 5. If any provision of this Act or the application thereof to*
27 *any person or circumstance is held invalid, such invalidity shall not affect*
28 *other provisions or applications of the Act which can be given effect without*
29 *the invalid provision or application, and to this end the provisions of this*
30 *Act are declared to be severable.*

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32 *SECTION 6. All laws and parts of laws in conflict with this Act are*
33 *hereby repealed.*

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35 *SECTION 7. EMERGENCY CLAUSE. It is hereby found and determined by the*

1 General Assembly that this Act establishes the criteria for setting the salary
2 of *classified* personnel in school districts; that this Act should go into
3 effect at the beginning of the next school year; and that unless this
4 emergency clause is adopted this Act may not go into effect until after the
5 beginning of the next school year. Therefore, an emergency is hereby declared
6 to exist and this Act being immediately necessary for the preservation of the
7 public peace, health and safety shall be in full force and effect from and
8 after July 1, 1991.

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/s/Lewellen et al