

1 State of Arkansas
2 85th General Assembly
3 First Extraordinary Session, 2006
4

Call Item 15

A Bill

HOUSE BILL 1026

5 By: Representative Mahony
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For An Act To Be Entitled

9 AN ACT TO ENSURE ADEQUATE FUNDING FOR STUDENTS IN
10 SCHOOL DISTRICTS WITH DECLINING ENROLLMENT AND
11 SCHOOL DISTRICTS WITH ISOLATED SCHOOLS RECEIVING
12 SPECIAL NEEDS FUNDING; AND FOR OTHER PURPOSES.
13

Subtitle

15 TO ENSURE ADEQUATE FUNDING FOR STUDENTS
16 IN SCHOOL DISTRICTS WITH DECLINING
17 ENROLLMENT AND SCHOOL DISTRICTS WITH
18 ISOLATED SCHOOLS RECEIVING SPECIAL NEEDS
19 FUNDING.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 6-20-2305(a), concerning the public school
25 funding formula, is amended to add an additional subdivision to read as
26 follows:

27 (3)(A) During the 2006-2007 school year, a school district with
28 an average daily membership that is less than the school district's previous
29 year's average daily membership shall receive:

30 (i) Declining enrollment funding equal to the
31 difference between the average of the two (2) immediately preceding years'
32 average daily membership and the average daily membership for the previous
33 school year multiplied by five thousand six hundred twenty dollars (\$5620);
34 or
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1 (ii) Special needs isolated funding under § 6-20-
2 604.

3 (B) A school district may receive declining enrollment funding
4 or special needs isolated funding under § 6-20-604, but not both.

6 SECTION 2. Arkansas Code § 6-20-604(b), concerning isolated schools
7 that receive special needs funding, is amended to read as follows:

8 (b) A school district shall receive special needs funding if the
9 school district meets the requirements of subsections (c) through (e) of this
10 section, and if:

11 (1) The school district was consolidated or annexed or received
12 an annexed school under § 6-13-1601 et seq.;

13 (2) The local board of directors by majority vote determines
14 that the isolated school is so isolated that to combine its operation to one
15 (1) district campus would be impractical or unwise; and

16 (3) The isolated school or district:

17 (A) Filed an affidavit of isolated school status with the
18 state board during the consolidation or annexation process and the facts of
19 the affidavit are verified by the state board or its designee, to meet the
20 requirements of § 6-20-601;

21 (B) Filed an affidavit of isolated school status with the
22 state board after the consolidation or annexation process or ~~August 12, 2005,~~
23 with regard to the 2006-2007 school year no later than June 1, 2006, and the
24 facts of the affidavit are verified by the state board or its designee to
25 meet the requirements of § 6-20-601; or

26 (C) Filed an affidavit of isolated school status with the
27 state board after the consolidation or annexation process or ~~August 12, 2005,~~
28 with regard to the 2006-2007 school year no later than June 1, 2006, and the
29 facts of the affidavit are verified by the state board or its designee to
30 meet the requirements of § 6-20-601 but for the average daily membership
31 requirements of three hundred fifty (350) students or fewer.

33 SECTION 3. Title 6, Chapter 20, Subchapter 23 is amended to add an
34 additional section:

35 6-20-2307. Declining enrollment and special needs isolated funding.

36 (a) An amount not to exceed thirteen million dollars (\$13,000,000) may

1 be provided as set forth in subsection (b) of this section to:

2 (1) School districts receiving declining enrollment funding
 3 under § 6-20-2305(a)(3); and

4 (2) School districts receiving special needs isolated funding
 5 under § 6-20-604.

6 (b)(1) If the amount necessary to provide declining enrollment funding
 7 under § 6-20-2305(a)(3) is greater than ten million dollars (\$10,000,000) as
 8 determined by the Department of Education and certified to the Chief Fiscal
 9 Officer of the State, then funds will be prorated unless additional funds are
 10 available for transfer from funds allocated for school districts receiving
 11 special needs isolated funding under § 6-20-604.

12 (2) If the amount necessary to provide special needs isolated
 13 funding under § 6-20-604 is less than three million dollars (\$3,000,000) as
 14 determined by the Department of Education and certified to the Chief Fiscal
 15 Officer of the State, then funds will be transferred to funds allocated for
 16 declining enrollment funding under § 6-20-2305(a)(3).

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 18 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
 19 General Assembly of the State of Arkansas that the Arkansas Supreme Court
 20 found that the public school funding system continues to be inadequate and
 21 the public schools are operating under a constitutional infirmity which must
 22 be corrected immediately; that to correct the constitutional infirmity and to
 23 provide adequate funding for public education, the amount of funding provided
 24 to school districts with declining enrollment and the amount of special needs
 25 isolated funding provided to isolated school districts should be increased;
 26 and that this act is necessary to allow the Department of Education and the
 27 Chief Fiscal Officer of the State sufficient time to make all necessary
 28 adjustments, calculations, and distributions to provide adequate funding for
 29 school districts with declining enrollments and isolated schools that receive
 30 special needs isolated funding. Therefore, an emergency is declared to exist
 31 and this act being necessary for the preservation of the public peace,
 32 health, and safety shall become effective on:

33 (1) The date of its approval by the Governor;

34 (2) If the bill is neither approved nor vetoed by the Governor,
 35 the expiration of the period of time during which the Governor may veto the
 36 bill; or

1 (3) If the bill is vetoed by the Governor and the veto is
2 overridden, the date the last house overrides the veto.

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