

1 State of Arkansas As Enrolled: H3/14/11 H3/15/11 H3/17/11 S3/30/11

2 88th General Assembly

# A Bill

3 Regular Session, 2011

HOUSE BILL 1901

4

5 By: Representative Ingram

6 By: Senator Files

7 By: Education Committee - Senate

8

9

## For An Act To Be Entitled

10 AN ACT TO AMEND PUBLIC SCHOOL FUNDING AMOUNTS; TO  
11 PROVIDE RESOURCES FOR EDUCATIONAL ADEQUACY; TO  
12 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

13

14

15

### Subtitle

16

TO AMEND PUBLIC SCHOOL FUNDING AMOUNTS

17

AND PROVIDE RESOURCES FOR EDUCATIONAL

18

ADEQUACY AND TO DECLARE AN EMERGENCY.

19

20

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

22

23 SECTION 1. DO NOT CODIFY. FINDINGS. The General Assembly finds that:

24 (1) In "A Report on Legislative Hearings for the 2010 Interim  
25 Study on Educational Adequacy", the interim House Committee on Education and  
26 the interim Senate Committee on Education found that the transportation  
27 funding provided in foundation funding is sufficient to meet the State of  
28 Arkansas's adequacy requirements with regard to student transportation. They  
29 went on to recommend, however, a distribution of funding through an enhanced  
30 transportation funding formula for certain school districts that may have  
31 high transportation costs. The committees further recommended that money to  
32 fund this new program be found by reducing, in part, a recommended increase  
33 in foundation funding. The committees made clear in the 2010 interim study  
34 report that this recommended enhanced transportation funding was found to be  
35 over and above what was required for adequacy;

36

(2) In the previous biennium, in "A Report on Legislative



1 Hearings for the 2008 Interim Study on Educational Adequacy", the committees  
2 found that student transportation may be a necessary component for providing  
3 students with an equitable opportunity for an adequate education to the  
4 extent that a student would not otherwise be able to realize this opportunity  
5 but for such transportation being provided by the state. Analyzing what  
6 portion of student transportation is required for adequacy purposes is a  
7 highly complex, fact-intensive study. It requires analysis of many factors  
8 such as student characteristics, bus routes taken, route miles, and a myriad  
9 of other factors. Nonetheless, it is clear from "The Resource Allocation of  
10 Foundation Funding for Arkansas School Districts," August 23, 2008, Bureau of  
11 Legislative Research, and the 2010 interim study report that the evidence  
12 gathered by the committees demonstrated that the amount of revenue provided  
13 in foundation funding is sufficient to fund the overall adequacy needs of all  
14 school districts;

15 (3) The 2010 interim study report recommends, essentially,  
16 removing a portion of transportation funding contained in the resource matrix  
17 used to determine necessary foundation funding levels, and using those funds  
18 to provide revenue for transportation to some, but not all, school districts  
19 for a program that is not required to maintain educational adequacy; and

20 (4) The foundation funding formula and the resource matrix on  
21 which the foundation funding formula is based have served the state well  
22 since they were first used. The formula and the matrix provide a clear,  
23 transparent, and easy to understand method for analyzing state funding needs  
24 for districts, while allowing districts the flexibility to use such funds to  
25 more closely meet unique district needs. The committees' recommendation that  
26 the General Assembly depart from this approach jeopardizes this method for  
27 determining and meeting school district adequacy needs, a method that the  
28 Supreme Court found to be constitutional in 2004 and in 2007. Accordingly,  
29 the General Assembly finds and determines that the foundation funding formula  
30 and the resource matrix upon which it is built should be maintained and  
31 declines to adopt the enhanced transportation funding approach recommended in  
32 the 2010 interim study report.

33  
34 SECTION 2. Arkansas Code § 6-20-2305(a)(2), concerning public school  
35 funding amounts, is amended to read as follows:

36 (2)(A) For the ~~2009-2010~~ 2011-2012 school year, the foundation

1 ~~funding amount is equal to five thousand nine hundred five dollars (\$5,905)~~  
2 six thousand one hundred forty-four dollars (\$6,144) multiplied by the school  
3 district's average daily membership for the previous school year.

4 (B) For the ~~2010-2011~~ 2012-2013 school year, the  
5 foundation funding amount is equal to ~~six thousand twenty three dollars~~  
6 ~~(\$6,023)~~ six thousand two hundred sixty-seven dollars (\$6,267) multiplied by  
7 the school district's average daily membership for the previous school year.

8 ~~(C)(i) In accordance with the state's desire to foster~~  
9 ~~educational excellence, in addition to the amounts determined by the General~~  
10 ~~Assembly to be constitutionally adequate pursuant to subdivisions (a)(2)(A)~~  
11 ~~and (B) of this section, and in addition to the funds distributed to school~~  
12 ~~districts pursuant to subdivisions (a)(2)(A) and (B) of this section, each~~  
13 ~~school district shall receive an amount equal to thirty five dollars (\$35.00)~~  
14 ~~multiplied by the school district's average daily membership for the previous~~  
15 ~~school year.~~

16 ~~(ii) The Department of Education shall distribute~~  
17 ~~the additional funding provided by this subdivision (a)(2)(C) in eleven (11)~~  
18 ~~monthly payments from funds appropriated by law and available for~~  
19 ~~distribution as state foundation funding aid.~~

20 ~~(iii) The General Assembly has determined that the~~  
21 ~~funding provided by this subdivision (a)(2)(C), which is known as "Enhanced~~  
22 ~~Educational Funding", is in addition to, and in excess of, the amount of~~  
23 ~~funds necessary to provide an adequate education as required by the Arkansas~~  
24 ~~Constitution.~~

25 ~~(iv) Enhanced Educational Funding is available from~~  
26 ~~a combination of fortunate economic factors, conservative budgeting of all~~  
27 ~~state government, and the favorable forecast of state revenues. As a result,~~  
28 ~~the enhanced component of Enhanced Educational Funding cannot be ensured and~~  
29 ~~may not be relied on beyond the 2009-2010 school year.~~

30  
31 SECTION 3. Arkansas Code § 6-20-2305(b)(2) through (b)(4)(B)(ii)(a),  
32 concerning categorical funding for public schools, is amended to read as  
33 follows:

34 (2)(A)(i) ~~Beginning with the 2007-2008~~ For the 2011-2012 school  
35 year, alternative learning environment funding shall be ~~four thousand sixty-~~  
36 ~~three dollars (\$4,063)~~ four thousand one hundred forty-five dollars (\$4,145)

1 multiplied by the number of identified alternative learning environment  
2 students enrolled during the previous school year.

3 (ii) For the 2012-2013 school year and each school  
4 year thereafter, alternative learning environment funding shall be four  
5 thousand two hundred twenty-eight dollars (\$4,228) multiplied by the number  
6 of identified alternative learning environment students enrolled during the  
7 previous school year.

8 (iii) Funding for students in alternative learning  
9 environments shall be distributed based on rules promulgated by the State  
10 Board of Education.

11 (B)(i) Beginning with the 2007-2008 school year, secondary  
12 vocational area center funding shall be three thousand two hundred fifty  
13 dollars (\$3,250) multiplied by the number of students enrolled in a secondary  
14 vocational area center during the previous school year.

15 (ii) Funding for students in secondary vocational  
16 area centers shall be distributed based on rules promulgated by the State  
17 Board of Career Education.

18 (3)(A) ~~Beginning with the 2007-2008~~ For the 2011-2012 school  
19 year, funding for students who are identified as English-language learners  
20 shall be ~~two hundred ninety-three dollars (\$293)~~ two hundred ninety-nine  
21 dollars (\$299) for each identified English-language learner.

22 (B) For the 2012-2013 school year and each school year  
23 thereafter, funding for students who are identified as English-language  
24 learners shall be three hundred five dollars (\$305) for each identified  
25 English-language learner.

26 (C) Funding for English-language learners shall be  
27 distributed to school districts for students who have been identified as not  
28 proficient in the English language based upon a state-approved English  
29 proficiency assessment instrument.

30 ~~(G)(D)~~ Funds allocated for English-language learners to  
31 school districts under this subchapter shall be expended only for eligible  
32 activities as identified in current rules promulgated by the State Board of  
33 Education and are a supplement to funding for national school lunch students  
34 provided in subdivision (b)(4) of this section.

35 (4)(A) ~~Beginning with the 2009-2010 school year, national~~  
36 National school lunch state categorical funding for each identified national

1 school lunch student shall be as follows:

2 (i) For a school district in which ninety percent  
3 (90%) or greater of the previous school year's enrolled students are national  
4 school lunch students, the amount of per-student national school lunch state  
5 categorical funding shall be ~~one thousand four hundred eighty-eight dollars~~  
6 ~~(\$1,488)~~ one thousand five hundred eighteen dollars (\$1,518) for the 2011-  
7 2012 school year, and one thousand five hundred forty-nine dollars (\$1,549)  
8 for the 2012-2013 school year and for each school year thereafter;

9 (ii) For school districts in which at least seventy  
10 percent (70%) but less than ninety percent (90%) of the previous school  
11 year's enrolled students are national school lunch students, the amount of  
12 per-student national school lunch state categorical funding shall be ~~nine~~  
13 ~~hundred ninety-two dollars (\$992)~~ one thousand twelve dollars (\$1,012) for  
14 the 2011-2012 school year, and one thousand thirty-three dollars (\$1,033) for  
15 the 2012-2013 school year and for each school year thereafter; and

16 (iii) For school districts in which less than  
17 seventy percent (70%) of the previous school year's enrolled students are  
18 national school lunch students, the amount of per student national school  
19 lunch state categorical funding shall be ~~four hundred ninety-six dollars~~  
20 ~~(\$496)~~ five hundred six dollars (\$506) for the 2011-2012 school year, and  
21 five hundred seventeen dollars (\$517) for the 2012-2013 school year and each  
22 school year thereafter.

23 (B)(i)(a) National school lunch state categorical funding  
24 under this subdivision (b)(4) shall be based on the number of national school  
25 lunch students for the immediately preceding school year determined under §  
26 6-20-2303(12)(A).

27 (b) If the school district is participating  
28 under 42 U.S.C. § 1759a, funding under this subdivision (b)(4) is based on  
29 the percentage determined in § 6-20-2303(12)(B) multiplied by the number of  
30 enrolled students for the immediately preceding school year.

31 (ii)(a) ~~Beginning with the 2009-2010 school year, if~~  
32 If a school district will receive in the current school year national school  
33 lunch state categorical funding under subdivision (b)(4)(A) of this section  
34 that is based on a different per-student amount of national school lunch  
35 state categorical funding than the school district received in the  
36 immediately preceding school year, due to a percentage change in national

1 school lunch students, the department shall adjust the funding to the school  
2 district in a transitional three-year period.

3  
4 SECTION 4. Arkansas Code § 6-20-2305(b)(5), concerning categorical  
5 funding for professional development in public schools, is amended to read as  
6 follows:

7 (5)(A) ~~Beginning with school year 2007-2008~~ For the 2011-2012  
8 school year, professional development funding shall be equal to an amount of  
9 up to ~~fifty dollars (\$50.00)~~ fifty-one dollars (\$51.00) multiplied by the  
10 school district's previous school year average daily membership.

11 (B) For the 2012-2013 school year and each school year  
12 thereafter, professional development funding shall be equal to an amount of  
13 up to fifty-two dollars (\$52.00) multiplied by the school district's previous  
14 school year average daily membership.

15 (C) Funding for professional development for teachers in  
16 Arkansas public schools shall be used for professional development activities  
17 and materials that improve the knowledge of teachers, administrators, and  
18 paraprofessionals concerning effective instructional strategies, methods, and  
19 skills for improving teaching practices and student academic achievement and  
20 training for school bus drivers as outlined in rules promulgated by the State  
21 Board of Education.

22  
23 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the  
24 General Assembly of the State of Arkansas that it is the state's  
25 constitutional obligation to provide a general, suitable, and efficient free  
26 system of public schools in the state; that the public school funding  
27 distribution changes in this act are needed to ensure that proper funding is  
28 provided to public schools and school districts; and that this act is  
29 immediately necessary so that public schools and school districts will  
30 receive the amount of funding provided under this act for the 2011-2012  
31 school year. Therefore, an emergency is declared to exist and this act being  
32 immediately necessary for the preservation of the public peace, health, and  
33 safety shall become effective on July 1, 2011.

34  
35 /s/Ingram

36 APPROVED: 04/01/2011