

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 461 of the Regular Session

1 State of Arkansas

As Engrossed: S2/26/07 H3/5/07 H3/12/07

2 86th General Assembly

A Bill

3 Regular Session, 2007

SENATE BILL 231

4
5 By: Senators Laverty, Bookout, Broadway, Bryles, Critcher, Faris, Glover, G. Jeffress, B. Johnson,
6 Luker, R. Thompson

7 By: Representatives Davenport, Cooper, Everett, Overbey, Ragland

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10 **For An Act To Be Entitled**

11 AN ACT TO AMEND THE PUBLIC SCHOOL FUNDING ACT OF
12 2003 TO EQUALIZE THE FUNDING PROVIDED FOR A
13 DISTRICT WITH A GROWING OR DECLINING ENROLLMENT;
14 AND FOR OTHER PURPOSES.

15
16 **Subtitle**

17 AN ACT TO AMEND THE PUBLIC SCHOOL
18 FUNDING ACT OF 2003 TO EQUALIZE THE
19 FUNDING PROVIDED FOR A DISTRICT WITH A
20 GROWING OR DECLINING ENROLLMENT.

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22
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

24
25 *SECTION 1. Arkansas Code § 6-20-2303(19), concerning school district*
26 *growth funding, is amended to read as follows:*

27 *(19)(A) "Student growth funding" means the amount of state*
28 *financial aid provided to each school district from funds made available for*
29 *~~that purpose~~ the growth in the average daily membership for the school*
30 *district.*

31 *~~(B) For school years 2005-2006 and 2006-2007, student~~*
32 *~~growth funding is calculated as five thousand four hundred dollars (\$5,400)~~*
33 *~~multiplied by the increase, if any, in the school district's two quarter~~*
34 *~~average of the average daily membership of the current school year over the~~*
35 *~~local school district's two quarter average of the average daily membership~~*



1 ~~for the previous school year, excluding any increase resulting solely from~~
 2 ~~consolidation or annexation with another school district;~~

3
 4 SECTION 2. Arkansas Code § 6-20-2305(a)(3), concerning funding for
 5 districts with declining enrollment, is amended to read as follows:

6 (3)(A) ~~During the 2006-2007, school year, a~~ A school district
 7 ~~with an~~ that has experienced a decline in average daily membership over the
 8 two (2) immediately preceding school years that is less than the school
 9 ~~district's previous year's average daily membership shall receive:~~

10 (i) Declining enrollment funding equal to the
 11 difference between the average of the two (2) immediately preceding years'
 12 average daily memberships and the average daily membership for the previous
 13 school year multiplied by ~~five thousand six hundred twenty dollars (\$5,620)~~
 14 the amount of foundation funding set forth in subdivision (a)(2) of this
 15 section; or

16 (ii) Special needs isolated funding under § 6-20-
 17 604.

18 (B) Any funding appropriated and available for declining
 19 enrollment funding under subdivision (a)(3)(A)(i) of this section or special
 20 needs isolated funding under § 6-20-604 that is not distributed under
 21 subdivision (a)(3)(A) of this section shall be prorated and distributed
 22 equally per average lost student to school districts that meet the
 23 qualifications for both declining enrollment funding under subsection
 24 (a)(3)(A)(i) of this section and special needs isolated funding under § 6-20-
 25 604.

26 (C) No school district shall receive both declining
 27 enrollment funding under subdivision (a)(3)(A)(i) of this section and student
 28 growth funding under § 6-20-2305(c).

29
 30 SECTION 3. Arkansas Code § 6-20-2305(c), concerning isolated funding,
 31 student growth funding, and special education-catastrophic occurrences
 32 funding, is amended to read as follows:

33 (c) Isolated funding under § 6-20-601, student growth funding, and
 34 special education-catastrophic occurrences funding shall be funded as
 35 follows:

36 (1) Isolated funding and special education-catastrophic

1 occurrences funding shall be allocated and funded to school districts in a
2 line item appropriation within the Public School Fund pursuant to law or
3 rules promulgated by the State Board of Education; and

4 (2)(A) Student growth funding is calculated as the sum of the
5 following amounts:

6 (i) One quarter (1/4) of the per student foundation
7 funding for the school district under § 6-20-2305(a)(2) multiplied by the
8 increase, if any, of each of the following:

9 (a) The school district's quarterly average
10 daily membership for the first quarter of the current school year over
11 average daily membership of the previous school year;

12 (b) The school district's quarterly average
13 daily membership for the second quarter of the current year over the average
14 daily membership of the previous school year;

15 (c) The school district's quarterly average
16 daily membership for the third quarter of the current school year over the
17 average daily membership of the previous school year; and

18 (d) The school district's quarterly average
19 daily membership for the fourth quarter of the current school year over the
20 average daily membership of the previous school year; and

21 (ii) ~~excluding~~ Excluding any increase resulting
22 solely from consolidation or annexation with another school district.

23 (B)(i) The State Board of Education shall establish by
24 rule the timing of distributions of student growth funding and the mechanism
25 for determining the quarterly average daily membership to be used in
26 calculating student growth funding under this subsection (c).

27 (ii)(a) As the fourth quarter average daily membership
28 count will not be available until the following school fiscal year, the final
29 distribution for each school year shall include one half (1/2) of the per
30 student foundation funding for the school district under § 6-20-2305(a)(2)
31 multiplied by the increase, if any, of the school district's quarterly
32 average daily membership for the third quarter of the current school year
33 over the average daily membership of the previous school year.

34 (b) As a result of calculating the
35 distribution in subdivision (c)(2)(B)(ii)(a) of this section, either an
36 adjustment shall be made in the initial distribution of growth funding for

1 the district in the following school year to be based on the actual fourth
2 quarter growth determined in subdivision (c)(2)(A)(i)(d) or the school
3 district shall refund the overpayment in growth funding.

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5 /s/ Lavery

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7 APPROVED: 3/23/2007
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