State of Arkansas
92nd General Assembly
Regular Session, 2019

By: Representative Eubanks
By: Senator J. Sturch

For An Act To Be Entitled
AN ACT CONCERNING PUBLIC SCHOOL FUNDING; TO AMEND
PROVISIONS OF THE ARKANSAS CODE WITH RESPECT TO
PUBLIC SCHOOL FUNDING; AND FOR OTHER PURPOSES.

Subtitle
TO AMEND PROVISIONS OF THE ARKANSAS CODE
WITH RESPECT TO PUBLIC SCHOOL FUNDING.

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

SECTION 1. Arkansas Code § 6-20-2305(b)(4)(C), concerning approved
programs and purposes for which funds allocated under this section may be
expended, is amended to read as follows:

(C)(i)(a) The State Board of Education shall establish by
rule a list of approved programs and purposes for which funds allocated under
this subdivision (b)(4) may be expended.

(b) School districts shall expend funds
allocated under this subdivision (b)(4) only on for the programs or purposes
on the State Board of Education’s list of approved programs and purposes for
which funds allocated under this subdivision (b)(4) may be expended, which
shall include, but are not limited to including without limitation:

(1) Classroom teachers, provided that if
the school district meets the minimum salary schedule in under § 6-17-2403
without using funds provided under this subdivision (b)(4) and that those
teachers are used for the purposes delineated in this subdivision (b)(4);

(2) Before-school academic programs and
after-school academic programs, including **without limitation** transportation
to and from the **before-school academic programs and after-school academic**
programs;

(3) Prekindergarten programs coordinated
by the Department of Human Services;

(4) Tutors, teachers’ aides, counselors,
social workers, nurses, and curriculum specialists;

(5) Parent education;

(6) Summer programs;

(7) Early intervention programs;

(8) Materials, supplies, and equipment,
including **without limitation** technology used **in approved programs or for approved purposes** for programs or purposes on the State Board of Education's
list of approved programs and purposes for which funds allocated under this
**subdivision (b)(4) may be expended**;

(9) Federal child nutrition programs, to
the extent necessary to provide school meals without charge to all students
under the United States Department of Agriculture Special Assistance
Alternative “Provision 2” program under 42 U.S.C. § 1759a, as it existed on
July 1, 2011;

(10) Federal child nutrition programs,
to the extent necessary to provide school meals without charge to students
otherwise eligible for reduced-price meals under the United States Department
of Agriculture’s National School Lunch Program or School Breakfast Program;

(11) Expenses directly related to
funding a longer school day;

(12) Expenses directly related to
funding a longer school year;

(13) Partnering with state-supported
institutions of higher education and technical institutes to provide
concurrent courses or technical education options for academic learning to
students while those students are still in high school so that the students
are college-ready and career-ready upon graduation from high school;

(14) **Teach For America, Inc.**
professional development as identified in the school district's
support plan required under § 6-15-2914;
(15) Implementing components of the
Arkansas Advanced Initiative for Math and Science, Inc.;

(16) The College and Career Coaches
Program, as administered by the Department of Career Education under § 6-1-601 et seq.; and

(17) Implementing a school-wide
evidence-based program intended to close achievement gaps with an arts-
infused curriculum;

(18) Dyslexia programs and interventions
under § 6-41-601 et seq.; and

(19) Recruiting and retaining effective
teachers, if the school district meets the minimum salary schedule under § 6-17-2403 without using funds provided under this subdivision (b)(4), by
implementing:

(A)(i) Approaches identified
within the school district’s support plan required under § 6-15-2914 to
address a disproportionate rate of low-income students or minority students
being taught by ineffective teachers, teachers who teach out of their
licensure content area, or inexperienced teachers, either within the school
district or as compared to surrounding school districts, including without
limitation strategies:

(a) For reassignment;
(b) For differentiated
pay plans to address identified shortage areas; and
(c) For addressing
teacher recruitment and retention, as recommended by the Department of
Education, including without limitation models for:

(1) Effective
use of teacher leaders;
(2) Cultural
responsiveness training; and
(3) Equity
audits.

(ii) A school district’s
support plan under this subdivision (b)(4)(C)(i)(b)(19)(A) shall include
without limitation how the school district identified gaps in equitable
access to effective teachers through a review of school district and school-
level data, student growth data, a root-cause analysis, research of the
strategies used to address the identified gaps, and the measures of the
effectiveness of the strategies used, including without limitation student
growth data; and

(B) Levels of differentiated
compensation that increase classroom teacher salaries based on a tiered
system of licensure established by the State Board of Education under § 6-17-402.

(ii) School districts that have met the needs of
students for whom the funding is provided for additional educational
categories under this subsection and that have excess national school lunch
student categorical funds provided under this subdivision (b)(4) may use the
excess national school lunch student categorical funds to supplement all
classroom teacher salaries under the following conditions:

(a) The school district shall not use any
portion of the national school lunch student categorical funds that are carry
forward or reserve funds to supplement classroom teacher salaries;

(b) The school district shall meet the minimum
teacher salary schedule under § 6-17-2403 without using national school lunch
student categorical funds;

(c) The school district shall comply with the
Standards for Accreditation of Arkansas Public Schools and School Districts
established under The Quality Education Act of 2003, § 6-15-201 et seq., and
the Arkansas Fiscal Assessment and Accountability Program under § 6-20-1901
et seq. without using national school lunch student categorical funds; and

(d) The school district shall agree that it
shall not allocate or use any excess national school lunch student
categorical funds in any manner except as a bonus to the salary of classroom
teachers.

(iii) The school district shall include with its
comprehensive school improvement plan a written detailed statement concerning
how the school district will use its excess national school lunch categorical
funds each school year and explaining in detail the amount of funds and
percent of total funds to be used to supplement all classroom teacher
salaries as allowed in subdivision (b)(4)(C)(ii) of this section.
(iv)(a)(ii) Upon review of the school district’s school-level improvement support plan required under § 6-15-2914, if the Commissioner of Education determines that the school district has met the needs of students in the school district for whom the funding for additional educational categories under this subsection is provided, has met the requirements of subdivisions (b)(4)(C)(ii) and (iii) of this section, and has prudently managed its resources, the commissioner shall give written approval of the detailed planned flexible use of excess national school lunch student state categorical funds provided to the school district for up to two (2) years.

(b) The school district shall not use its excess national school lunch categorical funds for classroom teacher salaries as provided in subdivision (b)(4)(C)(ii) of this section unless:

(1) The commissioner provides the written approval required under subdivision (b)(4)(C)(iv)(a) of this section; and

(2) Funds allocated under this subdivision (b)(4) are available.

(v) The excess national school lunch student categorical funds used to supplement the salary of a classroom teacher shall only be used as a nonrecurring bonus to a classroom teacher’s salary for any given school year and shall not be considered a permanent obligation under the school district’s teacher salary schedule or as contract obligations of any classroom teacher or employee of the school district.

(vi)(iii) Notwithstanding any other provision of law, if the Department of Education determines that a school district’s expenditure of funds allocated under this subdivision (b)(4) would result in the school district’s losing funding under any federal law, then the funds allocated to a school district under this subdivision (b)(4) may be expended for other academic programs or salaries.

(vii)(iv) The Department of Education may direct that a school district expend available funds on specified programs under subdivision (b)(4)(C)(i) of this section.

(viii)(v)(a) By September 15 of each school year, a school district shall submit to the Department of Education a report for the immediately preceding school year listing each program upon for which funds
allocated under this subdivision (b)(4) were expended, the amount expended, and any other information required by the Department of Education concerning the use of funds allocated under this subdivision (b)(4).

(b) The Department of Education shall develop appropriate reporting forms for use by school districts to comply with subdivision (b)(4)(C)(vii)(a) (b)(4)(C)(v)(a) of this section.

(ix) Beginning with the 2007-2008 school year and each school year thereafter, any school district that used or applied restricted national school lunch student categorical funds as a supplement for salaries of classroom teachers in a school district during the 2006-2007 school year under subdivision (b)(4)(C)(i)(b) of this section shall either:

(a) Remove the use of all national school lunch student categorical funds immediately as a supplement to classroom teacher salaries; or

(b) Begin the process of removing the use or application of national school lunch student categorical funds as part of an obligated salary schedule in the following manner:

(1) A school district shall reduce each current school year by twenty percent (20%) the amount of national school lunch student categorical funds received and used in the prior school year by the school district as a supplement to classroom teacher salaries and shall continue this reduction in the application of national school lunch student categorical funds as a supplement to classroom teacher salaries until the school district has no more than twenty percent (20%) of the total of any current year of all national school lunch student categorical funds received by a school district applied and used as a supplement to classroom teacher salaries for a current school year;

(2) No school district shall be allowed to use or consider reserve or carry forward national school lunch student categorical funds as a supplement to classroom teacher salaries;

(3) The school district shall meet the minimum teacher salary schedule under § 6-17-2403 without using national school lunch student categorical funds;

(4) The school district shall comply with the Standards for Accreditation of Arkansas Public Schools and School Districts established under The Quality Education Act of 2003, § 6-15-201 et
(5) The school district shall include with its school-level improvement plan a written detailed narrative or plan concerning how the school district will use its excess national school lunch categorical funds each school year and explaining in detail the amount of funds and percent of total funds to be used to supplement all classroom teacher salaries as allowed in this subdivision (b)(4)(C)(ix);

(6) Upon review of the school district’s school-level improvement plan, if the commissioner determines that the school district has met or is meeting the needs of students in the school district for whom the funding for additional educational categories under this subdivision (b)(4)(C)(ix) is provided, and has prudently managed its resources, the commissioner shall give written approval of the detailed planned flexible use of excess national school lunch student categorical funds provided to the school district; and

(7) Upon review of the school district’s school-level improvement plan and other indicators, if the commissioner determines that a school district has not met the needs of students that may be served with national school lunch student categorical funds, the commissioner may require that any and all national school lunch categorical funds dedicated for use or application in the teachers’ salary fund shall be removed from and not used to meet the classroom teacher salary obligation and redirected and applied to meet the needs of students in a school district.

(xi) Each school district shall submit to the Department of Education a report listing each program and purpose upon which funds allocated under this subdivision (b)(4) were expended, the amount expended, and any other information required by the Department of Education concerning the receipt and use of funds allocated under this subdivision (b)(4).

(xii) No provision of subdivision (b)(4)(C)(ix) of this section shall be deemed to prohibit a school district from participating in the provisions of subdivisions (b)(4)(C)(ii)-(viii) of this section.

(xiii)(vii) The Department of Education shall promulgate rules and develop appropriate reporting forms for use by school districts to comply with this subdivision (b)(4)(C).

APPROVED: 3/20/19