

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 272 of the Regular Session

1 State of Arkansas *As Engrossed: H2/21/07 H2/23/07 S2/28/07 S3/5/07*

2 86th General Assembly

A Bill

3 Regular Session, 2007

HOUSE BILL 1632

4

5 By: Representatives Kenney, Abernathy, Blount, T. Bradford, Cheatham, Cook, Dickinson, Everett,
6 Harris, J. Johnson, Lamoureux, M. Martin, Norton, Petrus, Pickett, Rainey, Rosenbaum, Saunders,
7 Walters, Wood, Wagner, *Adcock, Allen, Anderson, T. Baker, Berry, Bond, Breedlove, E. Brown, J.*
8 *Brown, Burkes, Burris, Cash, Chesterfield, Cooper, Cornwell, L. Cowling, D. Creekmore, Davenport,*
9 *Davis, S. Dobbins, Dunn, Edwards, D. Evans, L. Evans, Flowers, Garner, Gaskill, George, Glidewell, R.*
10 *Green, Greenberg, Hall, Hardwick, Hardy, Harrelson, Hawkins, House, Hoyt, D. Hutchinson, Hyde,*
11 *Jeffrey, D. Johnson, Key, Kidd, King, W. Lewellen, Lovell, Lowery, Maloch, Maxwell, Medley, Moore,*
12 *Overbey, Pace, Pate, Patterson, Pennartz, Pierce, Powers, S. Prater, Pyle, Ragland, Reep, Reynolds, J.*
13 *Roebuck, Rogers, Sample, Schulte, Shelby, L. Smith, Stewart, Sullivan, Sumpter, Thyer, Webb, Wells,*
14 *Wills, Woods, Wyatt*

15 By: Senators Broadway, Critcher, Baker, Bookout, B. Johnson, Wilkins, Womack, Argue, Bisbee, G.
16 *Jeffress, J. Jeffress, Capps, Laverty, J. Taylor, Salmon, Miller, Hendren*

17

18

19

For An Act To Be Entitled

20

AN ACT IN CONCORDANCE WITH THE 2006 ACT 57

21

ADEQUACY STUDY; TO AMEND THE PUBLIC SCHOOL

22

FUNDING ACT OF 2003 TO INCREASE THE AMOUNT OF PER

23

STUDENT FOUNDATION FUNDING AND CATEGORICAL

24

FUNDING; TO ENSURE THAT EVERY PUBLIC SCHOOL

25

DISTRICT IN THE STATE RECEIVES THE FULL AMOUNT OF

26

FOUNDATION FUNDING; AND FOR OTHER PURPOSES.

27

28

Subtitle

29

AN ACT TO AMEND THE PUBLIC SCHOOL

30

FUNDING ACT OF 2003 AND TO ENSURE THAT

31

EVERY PUBLIC SCHOOL DISTRICT IN THE

32

STATE RECEIVES THE FULL AMOUNT OF

33

FOUNDATION FUNDING.

34

35



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

2
3 SECTION 1. DO NOT CODIFY. ACT 57 COMPLIANCE.

4 The General Assembly declares this act to be in concordance with the
5 study of the state's system of public education conducted in 2006 by the
6 Adequacy Study Oversight Subcommittee, the House Interim Committee on
7 Education, and the Senate Interim Committee on Education in compliance with
8 Act 57 of the Second Extraordinary Session of 2003.

9
10 SECTION 2. Arkansas Code § 6-20-2303(11) through (22), concerning the
11 definitions relating to public school funding, are amended to read as
12 follows:

13 (11) "Miscellaneous funds" means the average of those funds
14 collected either in the average of the previous five (5) school years or in
15 the previous school year, whichever is less, and reported to the Department
16 of Education by April 15 of each school year, consisting of:

17 (A) ~~from funds~~ Funds received by a school district
18 from federal forest reserves, federal grazing rights, federal mineral rights,
19 federal impact aid, federal flood control, wildlife refuge funds, severance
20 taxes,; and

21 (B) ~~funds~~ Funds received by the school district in
22 lieu of taxes, and local sales and use taxes dedicated to education pursuant
23 to §§ 26-74-201 et seq., § 26-74-301 et seq., § 26-75-301 et seq., and the
24 Local Government Bond Act of 1985, § 14-164-301 et seq.;

25
26 (12)(A) "National school lunch students" means those students or
27 the percentage of enrolled students from low socioeconomic backgrounds as
28 indicated by eligibility for free or reduced-price meals under the National
29 School Lunch Act as determined on October 1 of each previous school year and
30 submitted to the department, unless the school district is identified by the
31 ~~department~~ department as participating in the special assistance certification
32 and reimbursement alternative implemented under 42 U.S.C. § 1759a, as
33 interpreted in 7 C.F.R. § 245.9.

34 (B) ~~(i)~~ If the school district is participating under 42
35 U.S.C. § 1759a, then for purposes of funding under § 6-20-2305(b), such a
36 school district's annual percentage of national school lunch students shall

1 be equal to the percentage submitted in the base year, which means the last
 2 school year for which eligibility determinations were made and meal counts
 3 were taken by type ~~except for the 2005-2006 school year as explicated in~~
 4 ~~subdivision (12)(B)(ii) of this section.~~

5 ~~(ii) If a school district received funding for~~
 6 ~~national school lunch students in the 2004-2005 school year as though one~~
 7 ~~hundred percent (100%) of its students were eligible for free meals because~~
 8 ~~of the school district's participation under 42 U.S.C. § 1759a, then that~~
 9 ~~school district shall be funded for the 2005-2006 school year based upon the~~
 10 ~~October 1, 2005, submission by a school district to the department if the~~
 11 ~~school district has completed a new student eligibility determination and~~
 12 ~~submitted that new eligibility determination to the department by October 1,~~
 13 ~~2005;~~

14 (13) "Net revenues" means actual revenues received from ad
 15 valorem taxes collected on behalf of a school district, multiplied by the
 16 uniform rate of tax over the total millage rate of the school district.

17 ~~(13)(14)~~ (14) "Previous year" or "previous school year" means the
 18 school year immediately preceding the school year or fiscal year in which
 19 funds are allocated;

20 ~~(14)(A)(15)(A)~~ (15)(A) "Professional development" means a coordinated
 21 set of planned learning activities for teachers and administrators that are
 22 standards-based.

23 (B) Professional development shall result in individual,
 24 schoolwide, and systemwide improvement designed to ensure that all students
 25 demonstrate proficiency in the state academic standards;

26 (16) "Quarterly average daily membership" means the average
 27 daily membership for one (1) quarter of a school year used for calculating
 28 student growth funding and as determined by rule established by the
 29 Department of Education;

30 (17) (A) "Revenues" means:

31 (i) The following items collected or received on
 32 behalf of a school district:

33 (a) Current year ad valorem taxes; plus

34 (b) Delinquent ad valorem taxes; plus

35 (c) Homestead tax credit; plus

36 (d) Interest earned on any tax funds held in

1 trust; less

2 (ii) All costs and net commissions relating to the
3 collection of ad valorem taxes authorized by law that are collected or
4 withheld for later distribution by the county offices.

5 (B) On or before March 31 of each year, the Assessment
6 Coordination Department shall compile the revenues for each school district
7 for the calendar year preceding the end of the school fiscal year.

8 (C) The calculation of revenues shall be made in
9 accordance with rules established by the Assessment Coordination Department.

10 ~~(15)~~(18) "School district" means a geographic area with an
11 elected board of directors that qualifies as a taxing unit for purposes of ad
12 valorem property taxes under title 26 of the Arkansas Code, which board
13 conducts the daily affairs of public schools pursuant to the supervisory
14 authority vested in it by the General Assembly and title 6 of the Arkansas
15 Code;

16 ~~(16)~~(19) "Secondary vocational area center" means a public
17 secondary vocational institution organized for the specific purpose of
18 educating high school students in specific occupational or vocational areas
19 and serving students from more than one (1) participating school district;

20 ~~(17)~~(20) "Special education catastrophic occurrences" means
21 individual cases in which special education and related services required by
22 the individualized education program of a particular student with
23 disabilities are unduly expensive, extraordinary, or beyond the routine and
24 normal costs associated with special education and related services provided
25 by a school district and funding is pursuant to rules promulgated by the
26 state board;

27 ~~(18)~~(21) "State foundation funding aid" means the amount of
28 state financial aid provided to each school district and computed as the
29 difference between the foundation funding amount established by the General
30 Assembly and the sum of ninety-eight percent (98%) of the uniform rate of tax
31 multiplied by the property assessment of the school district plus ~~seventy-~~
32 ~~five percent (75%) of the~~ miscellaneous funds of the school district;

33 ~~(19)(A)~~(22) "Student growth funding" means the amount of state
34 financial aid provided to each school district from funds made available for
35 ~~that purpose~~ the growth in the average daily membership for the school
36 district.

1 ~~(B) For school years 2005-2006 and 2006-2007, student~~
2 ~~growth funding is calculated as five thousand four hundred dollars (\$5,400)~~
3 ~~multiplied by the increase, if any, in the school district's two-quarter~~
4 ~~average of the average daily membership of the current school year over the~~
5 ~~local school district's two-quarter average of the average daily membership~~
6 ~~for the previous school year, excluding any increase resulting solely from~~
7 ~~consolidation or annexation with another school district;~~

8 ~~(20)(23)~~ "Teachers of the gifted and talented" means individuals
9 certified by the state board to teach students identified as gifted and
10 talented;

11 ~~(21)(24)~~ "Technology" means any equipment for instructional
12 purposes that is electronic in nature, including, but not limited to,
13 computer hardware, computer software, Internet connectivity, and distance
14 learning; and

15 ~~(22)(25)~~ "Uniform rate of tax" means a uniform rate of ad
16 valorem property tax of twenty-five (25) mills to be levied on the assessed
17 value of all taxable real, personal, utility, and regulated carrier property
18 in the state to be used solely for the maintenance and operation of the
19 public schools as required by Arkansas Constitution, Article 14, § 3, as
20 amended by Arkansas Constitution, Amendments 11, 40, and 74.

21
22 SECTION 3. Arkansas Code § 6-20-2305(a) through (b)(4)(A), concerning
23 foundation funding and categorical funding, are amended to read as follows:

24 (a)(1)(A) For each school year, each school district shall receive
25 state foundation funding aid computed as the difference between the
26 foundation funding amount pursuant to subdivision (a)(2) of this section and
27 the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied
28 by the property assessment of the school district plus ~~seventy-five percent~~
29 ~~(75%) of the~~ miscellaneous funds of the school district.

30 (B) The Department of Education shall distribute state
31 foundation funding aid to each school district in eleven (11) equal monthly
32 payments.

33 ~~(2)(A) For the 2005-2006 school year, the foundation funding~~
34 ~~amount is equal to five thousand four hundred eighty-six dollars (\$5,486)~~
35 ~~multiplied by the district's average daily membership for the previous school~~
36 ~~year.~~

1 ~~(B)(2)(A)~~ For the ~~2006-2007~~ 2007-2008 school year, the
2 foundation funding amount is equal to ~~five thousand six hundred twenty~~
3 ~~dollars (\$5,620)~~ five thousand seven hundred nineteen dollars (\$5,719)
4 multiplied by the school district's average daily membership for the previous
5 school year.

6 (B) For the 2008-2009 school year, the foundation funding
7 amount is equal to five thousand seven hundred eighty-nine dollars (\$5,789)
8 multiplied by the school district's average daily membership for the previous
9 school year.

10 ~~(C) For the 2005-2006 school year and the 2006-2007 school~~
11 ~~year, the foundation funding amount provided under subdivisions (a)(2)(A) and~~
12 ~~(B) of this section shall be increased by forty two dollars (\$42.00)~~
13 ~~multiplied by the district's average daily membership for the previous school~~
14 ~~year to pay for increased school district costs resulting from the 2005-2006~~
15 ~~and 2006-2007 increases in the employer's rate of contribution to the~~
16 ~~Arkansas Teacher Retirement System from thirteen percent (13%) to fourteen~~
17 ~~percent (14%).~~

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

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

28 (ii) Special needs isolated funding under § 6-20-
29 604.

30 (B) Any funding appropriated and available for declining
31 enrollment funding under subdivision (a)(3)(A)(i) of this section or special
32 needs isolated funding under § 6-20-604 that is not distributed under
33 subdivision (a)(3)(A) of this section shall be prorated and distributed
34 equally per average lost student to school districts that meet the
35 qualifications for both declining enrollment funding under subsection
36 (a)(3)(A)(i) of this section and special needs isolated funding under § 6-20-

1 604.

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

5 (4)(A) By the end of each school fiscal year, for a school
 6 district whose net revenues are less than the sum of ninety-eight percent
 7 (98%) of the uniform rate of tax multiplied by the property assessment of the
 8 school district, the department shall distribute to the school district the
 9 difference between:

10 (i) The net revenues of the school district; and
 11 (ii) The sum of ninety-eight percent (98%) of the
 12 uniform rate of tax multiplied by the property assessment of the school
 13 district.

14 (B) For a school district whose net revenues are more than the
 15 sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by
 16 the property assessment of the school district, the department, under the
 17 authority of § 6-20-2306, shall recoup from the school district an amount
 18 equal to the difference between:

19 (i) The net revenues of the school district; and
 20 (ii) The sum of ninety-eight percent (98%) of the
 21 uniform rate of tax multiplied by the property assessment of the school
 22 district.

23 (b)(1) In addition to state foundation funding aid, each school
 24 district shall receive funding for additional education categories as
 25 provided in ~~subdivisions (b)(2)-(6) of this section~~ subsection (b).

26 (2)(A)(i) ~~For school years 2005-2006 and 2006-2007~~ Beginning
 27 with the 2007-2008 school year, alternative learning environment funding ~~and~~
 28 ~~secondary vocational area center funding~~ shall be ~~three thousand two hundred~~
 29 ~~fifty dollars (\$3,250)~~ four thousand sixty-three dollars (\$4,063) multiplied
 30 by:

31 ~~(i) The~~ the number of identified alternative
 32 learning environment students enrolled during the previous school year; ~~and~~
 33 ~~(ii) The number of students enrolled in a secondary~~
 34 ~~vocational area center during the previous school year.~~

35 ~~(B)(ii)~~ Funding for students in alternative learning
 36 environments shall be distributed based on rules promulgated by the State

1 Board of Education.

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

6 (ii) Funding for students in secondary vocational
7 area centers shall be distributed based on rules promulgated by the State
8 Board of Workforce Education and Career Opportunities.

9 (3)(A) ~~For school years 2005-2006 and 2006-2007, the English-~~
10 ~~language learners funding~~ Beginning with the 2007-2008 school year, funding
11 for students who are identified as English-language learners shall be one
12 hundred ninety five dollars (\$195) two hundred ninety-three dollars (\$293)
13 for each identified English-language learner.

14 (B) Funding for ~~English-language learner students~~ English-
15 language learners shall be distributed to school districts for students who
16 have been identified as not proficient in the English language based upon a
17 state-approved English proficiency assessment instrument.

18 (C) Funds allocated for English-language learners to
19 school districts under this subchapter shall be expended only for eligible
20 activities as identified in current rules promulgated by the State Board of
21 Education and are a supplement to funding for national school lunch students
22 provided in subdivision (b)(4) of this section.

23 (4)(A) ~~For school years 2005-2006 and 2006-2007~~ Beginning with
24 the 2007-2008 school year, national school lunch student funding for each
25 identified national school lunch student shall be as follows:

26 (i) For a school ~~districts~~ district in which ninety
27 percent (90%) or greater of the previous school year's enrolled students are
28 national school lunch students, funding shall be ~~one thousand four hundred~~
29 ~~forty dollars (\$1,440)~~ one thousand four hundred eighty-eight dollars
30 (\$1,488);

31 (ii) For school districts in which at least seventy
32 percent (70%) but less than ninety percent (90%) of the previous school
33 year's enrolled students are national school lunch students, funding shall be
34 ~~nine hundred sixty dollars (\$960)~~ nine hundred ninety-two dollars (\$992);
35 and

36 (iii) For school districts in which less than

1 seventy percent (70%) of the previous school year's enrolled students are
2 national school lunch students, funding shall be ~~four hundred eighty dollars~~
3 ~~(\$480)~~ four hundred ninety-six dollars (\$496).

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

7 (5)(A) Beginning with school year 2007-2008, Professional
8 professional development funding ~~for school years 2005-2006 and 2006-2007~~
9 shall be equal to an amount of up to fifty dollars (\$50.00) multiplied by the
10 school district's previous school year average daily membership.

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

19
20 SECTION 5. Arkansas Code Title 6, Chapter 20, Subchapter 23 is amended
21 to add an additional section to read as follows:

22 6-20-2307. Property tax report.

23 In order to provide relevant information to the General Assembly
24 impacting the funding of public education, upon approval of the Legislative
25 Joint Auditing Committee, the Division of Legislative Audit shall prepare a
26 report regarding the assessment and collection of property taxes.

27
28 SECTION 6. Arkansas Code § 6-20-2305(c), concerning isolated funding,
29 student growth funding, and special education-catastrophic occurrences
30 funding, is amended to read as follows:

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

34 (1) Isolated funding and special education-catastrophic
35 occurrences funding shall be allocated and funded to school districts in a
36 line item appropriation within the Public School Fund pursuant to law or

1 rules promulgated by the State Board of Education; and

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

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

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

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

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

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

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

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

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

32 (b) As a result of calculating the
33 distribution in subdivision (c)(B)(ii)(a) of this section, either an
34 adjustment shall be made in the initial distribution of growth funding for
35 the district in the following school year to be based on the actual fourth
36 quarter growth determined in subdivision (c)(2)(A)(i)(d) or the school

1 district shall refund the overpayment in growth funding.

2

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4 SECTION 7. Arkansas Code § 6-17-2403(b) and (c), concerning the
5 minimum teacher compensation schedule, is amended to read as follows:

6 ~~(b)(1) In school year 2004-2005, each school district in the state
7 shall have in place a salary schedule with at least the following minimum
8 levels of compensation for a basic contract:~~

9

10 Years of Experience	BA Degree Salary	MA Degree Salary
11 0	\$27,500	\$31,625
12 1	27,950	32,125
13 2	28,400	32,625
14 3	28,850	33,125
15 4	29,300	33,625
16 5	29,750	34,125
17 6	30,200	34,625
18 7	30,650	35,125
19 8	31,100	35,625
20 9	31,550	36,125
21 10	32,000	36,625
22 11	32,450	37,125
23 12	32,900	37,625
24 13	33,350	38,125
25 14	33,800	38,625
26 15	34,250	39,125

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28 ~~(2) In school year 2005-2006, each school district in the state
29 shall have in place a salary schedule with at least the following minimum
30 levels of compensation for a basic contract:~~

31

32 Years of Experience	BA Degree Salary	MA Degree Salary
33 0	\$27,940	\$32,131
34 1	28,390	32,631
35 2	28,840	33,131
36 3	29,290	33,631

1	4	29,740	34,131
2	5	30,190	34,631
3	6	30,640	35,131
4	7	31,090	35,631
5	8	31,540	36,131
6	9	31,990	36,631
7	10	32,440	37,131
8	11	32,890	37,631
9	12	33,340	38,131
10	13	33,790	38,631
11	14	34,240	39,131
12	15	34,690	39,631

13

14 ~~(c) In school year 2006-2007 and each school year thereafter, each~~
 15 ~~school district in the state shall have in place a salary schedule with at~~
 16 ~~least the following minimum levels of compensation for a basic contract:~~

17

18	Years of Experience	BA Degree Salary	MA Degree Salary
19	0	\$28,611	\$32,902
20	1	29,061	33,402
21	2	29,511	33,902
22	3	29,961	34,402
23	4	30,411	34,902
24	5	30,861	35,402
25	6	31,311	35,902
26	7	31,761	36,402
27	8	32,211	36,902
28	9	32,661	37,402
29	10	33,111	37,902
30	11	33,561	38,402
31	12	34,011	38,902
32	13	34,461	39,402
33	14	34,911	39,902
34	15	35,361	40,402

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36 (b) In school year 2007-2008, each school district in the state shall

1 have in place a salary schedule with at least the following minimum levels of
 2 compensation for a basic contract:

3	4 <u>Years of Experience</u>	4 <u>BA Degree Salary</u>	4 <u>MA Degree Salary</u>
5	0	\$28,897	\$33,231
6	1	29,347	33,731
7	2	29,797	34,231
8	3	30,247	34,731
9	4	30,697	35,231
10	5	31,147	35,731
11	6	31,597	36,231
12	7	32,047	36,731
13	8	32,497	37,231
14	9	32,947	37,731
15	10	33,397	38,231
16	11	33,847	38,731
17	12	34,297	39,231
18	13	34,747	39,731
19	14	35,197	40,231
20	15	35,647	40,731

21
 22 (c) In school year ~~2006-2007~~ 2008-2009 and each school year
 23 thereafter, each school district in the state shall have in place a salary
 24 schedule with at least the following minimum levels of compensation for a
 25 basic contract:

26	27 <u>Years of Experience</u>	27 <u>BA Degree Salary</u>	27 <u>MA Degree Salary</u>
28	0	\$29,244	\$33,630
29	1	29,694	34,130
30	2	30,144	34,630
31	3	30,594	35,130
32	4	31,044	35,630
33	5	31,494	36,130
34	6	31,944	36,630
35	7	32,394	37,130
36	8	32,844	37,630

1	9	33,294	38,130
2	10	33,744	38,630
3	11	34,194	39,130
4	12	34,644	39,630
5	13	35,094	40,130
6	14	35,544	40,630
7	15	35,994	41,130

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9 SECTION 8. NOT TO BE CODIFIED. The amendment to the minimum teacher
10 compensation schedule contained in Section 5 of this act reflects the overall
11 increase in foundation funding. This amendment is a significant step in
12 closing the teacher salary gap. The increased minimum teacher compensation
13 schedule helps in recruiting and retaining teachers in Arkansas. Most
14 importantly, it makes Arkansas more competitive for quality teachers when
15 compared to surrounding states and Southern Regional Education Board member
16 states.

17

18 SECTION 9. NOT TO BE CODIFIED. The document attached hereto titled
19 "Education Funding Recommendations for the 2007-2009 Biennium", contains the
20 Education Funding Recommendations of the Adequacy Study Oversight
21 Subcommittee, the House Interim Committee on Education, and the Senate
22 Interim Committee on Education. Since January 22, 2007, when those
23 recommendations were adopted by the House Education Committee and the Senate
24 Education Committee, some calculation errors were identified and
25 recalculations were made. The recalculations are also contained in this
26 document in narrative form. This document and its final recommendations are
27 specifically adopted by the House Education Committee and the Senate
28 Education Committee and recommended to the General Assembly. The document,
29 "Education Funding Recommendations for the 2007-2009 Biennium", shall be
30 filed in the journals of the House and Senate.

31

32 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the
33 General Assembly of the State of Arkansas that the 2006 Act 57 study
34 recommended that foundation funding and categorical funding be increased for
35 the 2007-2008 and 2008-2009 school years; that the method of calculating the
36 state foundation funding aid should be changed to ensure that all public

1 school districts receive the full amount of foundation funding; and that this
2 act is immediately necessary to ensure that public school districts receive
3 adequate foundation funding for the 2007-2008 school year. Therefore, an
4 emergency is declared to exist and this act being immediately necessary for
5 the preservation of the public peace, health, and safety shall become
6 effective on July 1, 2007.

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/s/ Kenney

APPROVED: 3/14/2007