

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.

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009  
4

As Engrossed: S3/31/09

# A Bill

SENATE BILL 987

5 By: Senator Elliott  
6 By: Representative Rainey  
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## For An Act To Be Entitled

10 AN ACT TO PLACE LIMITS ON THE AMOUNT AND DURATION  
11 OF CARRYOVER CATEGORICAL FUNDS; AND FOR OTHER  
12 PURPOSES.  
13

### Subtitle

15 TO PLACE LIMITS ON THE AMOUNT AND  
16 DURATION OF CARRYOVER CATEGORICAL FUNDS.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 6-20-2305(b), concerning categorical fund  
22 carryover, is amended to add an additional subdivision to read as follows:

23 (6)(A) A school district's year end categorical fund balance for  
24 each category listed in subdivisions (b)(2)-(5) of this section shall not  
25 exceed twenty percent (20%) of the sum of funds distributed in a categorical  
26 fund during the current school year plus all carryover funds in a categorical  
27 fund from the previous school year without first obtaining the written  
28 approval of the carryover amount in excess of twenty percent (20%) from the  
29 Commissioner of Education or his or her designee.

30 (B) The department shall prepare an annual report known as  
31 Categorical Fund Carryover Variance Report, which shall include without  
32 limitation:

33 (i) The name of each school district that has  
34 applied for a carryover variance;

35 (ii) All carryover variances approved by the  
36 commissioner or his or her designee;



1                   (iii) The rationale for approving each carryover  
2 variance;

3                   (iv) The student achievement for categorical fund  
4 students in each school district that has been granted a carryover variance;  
5 and

6                   (v) The carryover balance in each categorical fund  
7 in each school district that has been granted a carryover variance.

8                   (C) The department shall submit annually the Categorical  
9 Fund Carryover Variance Report to the Governor, the House Committee on  
10 Education, the Senate Committee on Education, and the Commission on Closing  
11 the Achievement Gap in Arkansas.

12                   (D) Funds provided to a school district under the American  
13 Recovery and Reinvestment Act of 2009 shall not be included in the  
14 categorical fund balance for the carryover calculation under subdivision  
15 (b)(6)(A) of this section.

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17   /s/ Elliott  
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