

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.

INTERIM STUDY PROPOSAL 2009-056

State of Arkansas  
87th General Assembly  
Regular Session, 2009

# A Bill

SENATE BILL 319

By: Senator Laverty

Filed with: Senate Interim Committee on Education  
pursuant to A.C.A. §10-3-217.

## For An Act To Be Entitled

AN ACT TO REMOVE THE MISCELLANEOUS FUNDS RECEIVED  
BY A SCHOOL DISTRICT FROM THE CALCULATION OF  
STATE FUNDING ASSISTANCE; AND FOR OTHER PURPOSES.

### Subtitle

TO REMOVE THE MISCELLANEOUS FUNDS  
RECEIVED BY A SCHOOL DISTRICT FROM THE  
CALCULATION OF STATE FUNDING ASSISTANCE.

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

SECTION 1. Arkansas Code § 6-20-2303(11), concerning the definition of miscellaneous funds, is repealed:

~~(11)(A) "Miscellaneous funds" means the average of those funds collected in the previous five (5) school years and reported to the Department of Education by April 15 of each school year, consisting of:~~

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

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



1                   ~~(B) If the school district no longer receives funds from a~~  
2 ~~source of funds listed in subdivision (11)(A) of this section, then previous~~  
3 ~~collections from that source of funds shall not be included in the five year~~  
4 ~~average;~~

5  
6           SECTION 2. Arkansas Code § 6-20-2303(21), concerning the definition of  
7 state foundation funding aid for public schools, is amended to read as  
8 follows:

9                   (21) "State foundation funding aid" means the amount of state  
10 financial aid provided to each school district and computed as the difference  
11 between the foundation funding amount established by the General Assembly and  
12 the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied  
13 by the property assessment of the school district ~~plus the miscellaneous~~  
14 ~~funds of the school district;~~

15  
16           SECTION 3. Arkansas Code § 6-20-2305(a)(1)(A), concerning the  
17 calculation of state foundation funding aid for public schools, is amended to  
18 read as follows:

19                   (a)(1)(A) For each school year, each school district shall receive  
20 state foundation funding aid computed as the difference between the  
21 foundation funding amount pursuant to subdivision (a)(2) of this section and  
22 the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied  
23 by the property assessment of the school district ~~plus the miscellaneous~~  
24 ~~funds of the school district.~~

25  
26           SECTION 4. Arkansas Code § 6-20-2503(a), concerning bonded debt  
27 assistance for public schools, is amended to read as follows:

28                   6-20-2503. Bonded debt assistance.

29                   (a) As used in this section:

30                           (1) "Eligible school district" means a school district that  
31 applied for bonded debt assistance under this section before July 1, 2005;

32                           (2) "Foundation funding" means an amount of money specified by  
33 the General Assembly for each school year to be expended by school districts  
34 for the provision of an adequate education for each student as that amount is  
35 established in § 6-20-2305;

36                           (3) "Local revenue per student" means in each school year

1 ninety-eight percent (98%) of the amount of revenue available, whether or not  
2 collected, in a school district solely from the levy of the uniform rate of  
3 tax ~~plus the average miscellaneous funds collected in the previous five (5)~~  
4 ~~years~~ divided by the average daily membership of the school district; and

5 ~~(4) "Miscellaneous funds" means those funds received by a local~~  
6 ~~school district from federal forest reserves, federal grazing rights, federal~~  
7 ~~mineral rights, federal impact aid, federal flood control, wildlife refuge~~  
8 ~~funds, severance taxes, funds received by the district in lieu of taxes, and~~  
9 ~~local sales and use taxes dedicated to education pursuant to § 26-74-201 et~~  
10 ~~seq., § 26-74-301 et seq., § 26-75-301 et seq., and § 14-164-301 et seq.; and~~

11 ~~(5) (4)~~ "State wealth index" means the result of one (1) minus  
12 the ratio of local revenue per student divided by the difference between  
13 foundation funding and local revenue per student.

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