

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1031

By: Representative Thicksten

For An Act To Be Entitled

"AN ACT TO AMEND SUBSECTION (1) OF ARKANSAS CODE 6-20-302 TO PROVIDE FOR THE ALLOCATION OF MINIMUM FOUNDATION PROGRAM AID TO GROWING SCHOOL DISTRICTS BASED ON CURRENT YEAR AVERAGE DAILY MEMBERSHIP; TO AMEND SUBSECTIONS (a) AND (b) OF ARKANSAS CODE 6-20-306 TO INCREASE THE CHARGE LEVIED AGAINST SCHOOL DISTRICTS' CHARGED ASSESSED VALUATION AND TO RETAIN THE PENALTY FOR DISTRICTS NOT VOTING A SPECIFIED CHARGED LEVY; TO AMEND ARKANSAS CODE 6-20-302(2)(A) AND ARKANSAS CODE 6-20-313 TO PROVIDE FUNDING FOR THE EDUCATIONAL COSTS OF BOTH HANDICAPPED AND NON-HANDICAPPED STUDENTS IN RESIDENTIAL PLACEMENT FACILITIES; TO AMEND SUBCHAPTER 3 OF CHAPTER 20 OF TITLE 6 OF THE ARKANSAS CODE BY ADDING A NEW SECTION TO PROVIDE COMPENSATORY EDUCATION PROGRAMS IN THE PUBLIC SCHOOLS OF ARKANSAS FOR ELIGIBLE STUDENTS; AND FOR OTHER PURPOSES."

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

SECTION 1. Subsection (1) of Arkansas Code 6-20-302 is hereby amended to read as follows:

"(1) 'Average daily membership (ADM)' means the total number of days attended plus the total number of days absent by students in grades kindergarten through twelve during the first three (3) quarters of each school year, divided by the number of school days actually taught in the district during that period of time. Provided that, for aid purposes beginning in 1989-90, the ADM of growing school districts, districts whose ADM as defined above for the second previous year, shall be increased annually by one-sixth (1/6) of the total percent of their increase for each \$27,000,000 or major fraction thereof, of increase in Minimum Foundation Program Aid for the year. This schedule of proportionate increases shall continue until the total recorded

growth becomes a part of the computation for Minimum Foundation Aid for growing school districts. Aid computed using increased ADM as herein provided shall be corrected at the end of the first three (3) quarters of the year in which the aid is distributed to reflect the actual growth of the affected district or any other school district indicating growth that year. Such corrections shall be determined by recalculating individually the aid due each affected district and shall be made before the end of the year in which the aid is distributed. No such correction, however, shall result in any school district's ADM for aid purposes in any year being less than that shown for the districts in the first three (3) quarters of the previous year.

(A) As applies to this subchapter, students who may be counted for average daily membership are:

(i) Students who reside within the boundaries of the school district and are enrolled either within a public school operated by the district or in a public school operated by another district or a private school for special education students, with such attendance in both instances resulting from a written tuition agreement approved by the Department of Education; and

(ii) Legally transferred students living outside the district but attending a public school in the district.

(B) For purposes of this subchapter, kindergarten students enrolled in one-half (1/2) day programs shall be counted as one-half (1/2) time students;"

SECTION 2. Subsection (a) of Arkansas Code 6-20-306 is hereby amended to read as follows:

"(a) (1) A charge shall be levied against each district's charged assessed valuation by property class as indicated below:

Real Property	Personal Property	Utility and Regulated_Carriers
21 mills	47 mills	47 mills

(2) If the increase in funding by the State for Minimum Foundation Program Aid in 1989-90 exceeds \$50,000,000, the charge levels indicated above shall be increased by one (1) mill against each property class for each \$25,000,000 or major fraction thereof that the increase is in excess of \$50,000,000.

(3) Beginning in 1990-91 the charge levels as provided by this act shall be increased by one (1) mill against each property class for each \$25,000,000

or major fraction thereof increase in funding by the State for Minimum Foundation Program Aid. The charge levels shall not be increased in any year if such an increase would cause the total charge on real property to be more than average millage voted by the school districts of the state in the previous annual school election."

SECTION 3. Subsection (b) of Arkansas Code 6-20-306 is hereby amended to read as follows:

"(b) Any school district which in the second annual school election after an increase is made in the state's charged millage levy, votes a millage levy on its assessment that is more than three (3) mills below the state's charge levy on real property, shall lose all add-on weights for which it qualifies under Arkansas Code 6-20-302(2)(B), (C), and (D). The total minimum millage required to be voted under this provision to avoid such a loss shall not exceed twenty-five (25) mills. Add-on weights lost under this provision shall be restored in the school year following the annual school election in which the voters of the district approve a tax levy on its charged assessment which is within three (3) mills of the state's charged levy."

SECTION 4. Subsection (A) of subsection (2) of Arkansas Code 6-20-302 (2)(A) is hereby amended to read as follows:

"(A) Students evaluated as special education students in accordance with regulations promulgated by the Department of Education shall be given add-on weights in the following amounts for each type of setting in which services are required:

Itinerant	.40
Resource Room	.85
Self-contained (Ratio of 1-15)	.70
Self-contained (Ratio of 1-10)	1.10
Special School, Day	2.35"

SECTION 5. Arkansas Code 6-20-313 is hereby amended to read as follows:

"6-20-313. Other set-aside funds. Other set-aside funds shall be as follows:

- (1) Funds required for the Department of Correction school district;
- (2) Two hundred fifty thousand dollars (\$250,000) annually for con-

tingency aid to school districts undergoing hardships or emergencies identified by criteria approved by the State Board of Education and with an amount not to exceed fifteen thousand dollars (\$15,000) being awarded to any one (1) school district;

(3) One hundred seventy-five thousand dollars (\$175,000) for those districts identified as isolated by criteria approved by the State Board of Education, provided that any school district receiving such aid shall have voted at the previous school election a millage levy equal to at least the state millage charge on real property, as set forth in Arkansas Code 6-20-306(a);

(4) Funds sufficient to pay the school employee liability insurance required by Arkansas Code 6-17-1113 and funds necessary to pay the amounts required by Arkansas Code 6-20-302(13), 6-20-306(d), and 6-20-309;

(5) Funds shall also be set-aside to pay for the educational costs of non-handicapped children who have been placed in approved residential treatment facilities as defined by the Arkansas Department of Education (ADE), Division of Special Education, up to an amount equal to the product of the regular ADM count plus an 'add-on' weight of 3.1 for residential placement, and the State Base Equalization Rate; and for the educational costs of non-handicapped children in school districts not qualifying for any Foundation Program Aid, who have been placed in approved residential treatment facilities as defined by ADE, Division of Special Education, up to an amount equal to the product of the regular ADM count plus an 'add-on' weight of 3.1 for residential placement, and the State Base Equalization Rate;

(6) Funds shall also be set-aside to pay for the educational costs of handicapped children, including those in school districts not qualifying for any Foundation Program Aid, who have been placed in approved residential treatment facilities, as defined by the ADE, Division of Special Education, up to an amount equal to the product of the regular ADM count plus an 'add-on' weight of either 3.1 or 2.35, and the State Base Equalization Rate. An add-on weight of 3.1 is to be used if the student must receive his/her educational program in a Special Residential School. An add-on weight of 2.35 is to be used if the student must receive his education in a special day school and the State Base Equalization Rate. Educational costs funded under this subsection are specifically covered by Arkansas Code 6-20-316(b)."

SECTION 6. Subchapter 3 of Chapter 20 of Title 6 of the Arkansas Code is hereby amended by adding a new section to read as follows:

"6-20-320. Set-aside funds compensatory education program. (a) Annually funds shall be set-aside from the total funds available for allocation under the provisions of the subchapter to provide special aid to school districts for compensatory education programs.

(b) The total amount of this set-aside shall be the product of either \$325 or an amount comparable to the per pupil allocation of ESEA, Chapter I compensatory education funds and the number of students in the state eligible for such programs as determined by the State Board of Education. The total amount of funds set-aside for this purpose in 1989-90 shall be \$7,000,000. In 1990-91 and succeeding years the total shall be \$8,000,000.

(c) The allocation of compensatory education program funds to local school districts shall be in accordance with regulations and procedures promulgated by the State Board of Education."

SECTION 7. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 8. All laws and parts of laws in conflict with this Act are hereby repealed.