

1 State of Arkansas
2 85th General Assembly
3 First Extraordinary Session, 2006
4

Call Item 15

A Bill

SENATE BILL 24

5 By: Senators Wilkins, Lavery
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For An Act To Be Entitled

9 AN ACT TO ENSURE ADEQUATE FUNDING FOR STUDENTS IN
10 SCHOOL DISTRICTS WITH DECLINING ENROLLMENT AND
11 SCHOOL DISTRICTS WITH ISOLATED SCHOOLS RECEIVING
12 SPECIAL NEEDS FUNDING; AND FOR OTHER PURPOSES.
13

Subtitle

15 TO ENSURE ADEQUATE FUNDING FOR STUDENTS
16 IN SCHOOL DISTRICTS WITH DECLINING
17 ENROLLMENT AND SCHOOL DISTRICTS WITH
18 ISOLATED SCHOOLS RECEIVING SPECIAL NEEDS
19 FUNDING
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 6-20-2305(a), concerning the public school
25 funding formula, is amended to add an additional subdivision to read as
26 follows:

27 (3)(A) During the 2006-2007 school year, a school district with
28 an average daily membership that is less than the school district's previous
29 year's average daily membership shall receive:

30 (i) Declining enrollment funding equal to the
31 difference between the average of the two (2) immediately preceding years'
32 average daily membership and the average daily membership for the previous
33 school year multiplied by five thousand six hundred twenty dollars (\$5,620);
34 or

35 (ii) Special needs isolated funding under § 6-20-
36 604.



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 2 (B) Any funding as set forth under § 6-20-2307(a) that is not
 3 distributed under subdivision (a)(3)(A) of this section shall be prorated and
 4 distributed equally per average loss student to school districts that meet
 5 the qualifications for both declining enrollment funding under subsection
 6 (a)(3)(A)(i) of this section and special needs isolated funding under § 6-20-
 7 604.

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 9 SECTION 2. Arkansas Code § 6-20-604(b), concerning isolated schools
 10 that receive special needs funding, is amended to read as follows:

11 (b) A school district shall receive special needs funding if the
 12 school district meets the requirements of subsections (c) through (e) of this
 13 section, and if:

14 (1) The school district was consolidated or annexed or received
 15 an annexed school under § 6-13-1601 et seq.;

16 (2) The local board of directors by majority vote determines
 17 that the isolated school is so isolated that to combine its operation to one
 18 (1) district campus would be impractical or unwise; and

19 (3) The isolated school or district:

20 (A) Filed an affidavit of isolated school status with the
 21 state board during the consolidation or annexation process and the facts of
 22 the affidavit are verified by the state board or its designee, to meet the
 23 requirements of § 6-20-601;

24 (B) Filed an affidavit of isolated school status with the
 25 state board after the consolidation or annexation process or ~~August 12, 2005,~~
 26 with regard to the 2006-2007 school year no later than June 1, 2006, and the
 27 facts of the affidavit are verified by the state board or its designee to
 28 meet the requirements of § 6-20-601; or

29 (C) Filed an affidavit of isolated school status with the
 30 state board after the consolidation or annexation process or ~~August 12, 2005,~~
 31 with regard to the 2006-2007 school year no later than June 1, 2006, and the
 32 facts of the affidavit are verified by the state board or its designee to
 33 meet the requirements of § 6-20-601 but for the average daily membership
 34 requirements of three hundred fifty (350) students or fewer.

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 36 SECTION 3. Title 6, Chapter 20, Subchapter 23 is amended to add an

1 additional section:

2 6-20-2307. Declining enrollment and special needs isolated funding.

3 (a) An amount not to exceed thirteen million dollars (\$13,000,000) may
4 be provided as set forth in subsection (b) of this section to:

5 (1) School districts receiving declining enrollment funding
6 under § 6-20-2305(a)(3); and

7 (2) School districts receiving special needs isolated funding
8 under § 6-20-604.

9 (b)(1) If the amount necessary to provide declining enrollment funding
10 under § 6-20-2305(a)(3)(A) is greater than ten million dollars (\$10,000,000)
11 as determined by the Department of Education and certified to the Chief
12 Fiscal Officer of the State, then funds will be prorated unless additional
13 funds are available for transfer from funds allocated for school districts
14 receiving special needs isolated funding under § 6-20-604.

15 (2) If the amount necessary to provide special needs isolated
16 funding under § 6-20-604 is less than three million dollars (\$3,000,000) as
17 determined by the Department of Education and certified to the Chief Fiscal
18 Officer of the State, then funds will be transferred to funds allocated for
19 declining enrollment funding under § 6-20-2305(a)(3)(A).

20 (3) If the amount necessary to provide funding under § 6-20-
21 2305(a)(3) is less than the total funds available under subsection (a) of
22 this section or transferred under subsection (b)(2) of this section, any
23 remaining funds shall be distributed under § 6-23-2305(a)(3)(B).

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25 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
26 General Assembly of the State of Arkansas that the Arkansas Supreme Court
27 found that the public school funding system continues to be inadequate and
28 the public schools are operating under a constitutional infirmity which must
29 be corrected immediately; that to correct the constitutional infirmity and to
30 provide adequate funding for public education, the amount of funding provided
31 to school districts with declining enrollment and the amount of special needs
32 isolated funding provided to school districts with isolated schools should be
33 increased; and that this act is necessary to allow the Department of
34 Education and the Chief Fiscal Officer of the State sufficient time to make
35 all necessary adjustments, calculations, and distributions to provide
36 adequate funding for school districts with declining enrollments and isolated

1 schools that receive special needs isolated funding. Therefore, an emergency
2 is declared to exist and this act being necessary for the preservation of the
3 public peace, health, and safety shall become effective on:

4 (1) The date of its approval by the Governor;

5 (2) If the bill is neither approved nor vetoed by the Governor,
6 the expiration of the period of time during which the Governor may veto the
7 bill; or

8 (3) If the bill is vetoed by the Governor and the veto is
9 overridden, the date the last house overrides the veto.

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