State of Arkansas
86th General Assembly

## A Bill

Regular Session, 2007
SENATE BILL 919

By: Senator Laverty
By: Representatives Davenport, Ragland, Overbey

## For An Act To Be Entitled

AN ACT TO EQUALIZE FOUNDATION FUNDING FOR SPECIAL NEEDS PUBLIC SCHOOL DISTRICTS; AND FOR OTHER PURPOSES.

## Subtitle

AN ACT TO EQUALIZE FOUNDATION FUNDING FOR SPECIAL NEEDS PUBLIC SCHOOL DISTRICTS.

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

SECTION l. Arkansas Code § 6-20-604(b), concerning additional funding for special needs, is amended to read as follows:
(b) A school district shall receive special needs funding if the school district meets the requirements of subsections (c) through (f)(e) of this section, and if:
(1) The school district was consolidated or annexed or received an annexed school under § 6-13-1601 et seq.;
(2) The local board of directors by majority vote determines that the isolated school is so isolated that to combine its operation to one (1) district campus would be impractical or unwise; and
(3) The isolated school or district:
(A) Filed an affidavit of isolated school status with the state board during the consolidation or annexation process and the facts of the affidavit are verified by the state board or its designee to meet the requirements of § 6-20-601;
(B) Filed an affidavit of isolated school status with the state board after the consolidation or annexation process or with regard to the 2006-2007 school year no later than June 1, 2006, and the facts of the affidavit are verified by the state board or its designee to meet the requirements of § 6-20-601; or
(C) Filed an affidavit of isolated school status with the state board after the consolidation or annexation process or with regard to the 2006-2007 school year no later than June l, 2006, and the facts of the affidavit are verified by the state board or its designee to meet the requirements of § 6-20-601 but for the average daily membership requirements of three hundred fifty (350) students or fewer.

SECTION 2. Arkansas Code § 6-20-604(f)-(g), concerning additional funding for special needs, is amended to read as follows:
(f) A school district shall receive an amount equal to five percent $(5 \%)$ of the foundation funding received by the school district under § 6-20$2305(a)(2)$ based on the three-quarter average daily membership of the school district if the district has a:
(1) Three-quarter average daily membership of fewer than five hundred (500) students; and
(2) Density ratio of two (2) students or fewer per square mile.
(g)(f) A school district eligible for special needs funding under this section shall continue to be eligible to receive isolated school funding provided under § 6-20-603 but shall only receive funding under one (l) of the categories established under subsections (c)-(f) in (c)-(e) of this section.
(g)(1) A school district shall receive special needs funding to ensure that its foundation funding is equal to the foundation funding provided to a five-hundred-student school district, based on the following:
(A) If the school district has a three-quarter average daily membership for the preceding year of at least three hundred fifty (350) but not more than four hundred (400), the school district shall receive funding in an amount equal to:
(i) Fifteen percent (15\%) of the per student foundation funding amount under § 6-20-2305(a)(2); multiplied by
(ii) The difference between the school district's three-quarter average daily membership for the preceding year and five
hundred (500);
(B) If the school district has a three-quarter average daily membership of at least four hundred one (401) but not more than four hundred fifty (450), the school district shall receive funding in an amount equal to:
(i) Twenty percent (20\%) of the per student
foundation funding amount under § 6-20-2305(a)(2); multiplied by
(ii) The difference between the school district's three-quarter average daily membership for the preceding year and five hundred (500); or
(C) If the school district has a three-quarter average daily membership of at least four hundred fifty-one (451) but not more than five hundred (500), the school district shall receive funding in an amount equal to:
(i) Twenty-five percent (25\%) of the per student foundation funding amount under § 6-20-2305(a)(2); multiplied by (ii) The difference between the school district's three-quarter average daily membership for the preceding year and five hundred (500).
(2) A school district is not required to meet the requirements of subsection (b) of this section to receive funding under this subsection (g) .
(3)(A) This subsection (g) shall be funded with undistributed funds allocated to a school district under subsections (c) through (e) of this section that, pursuant to subsection (h) of this section, is no longer eligible to receive the funding under this section because all or part of an isolated school in the school district is closed by the school district board of directors.
(B) Until this subsection (g) is fully funded under subdivision (g) (3) (A) of this section, the school districts eligible for funding under this subsection ( $g$ ) shall receive a pro-rated portion of the available funds.

