

Stricken language will be deleted and underlined language will be added.
Act 293 of the Fiscal Session

State of Arkansas
89th General Assembly
Fiscal Session, 2014

As Engrossed: S2/27/14, S3/4/14
A Bill

SENATE BILL 48

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO MAKE AN APPROPRIATION FOR GRANTS AND AID TO LOCAL SCHOOL DISTRICTS AND SPECIAL PROGRAMS FOR THE DEPARTMENT OF EDUCATION FOR THE FISCAL YEAR ENDING JUNE 30, 2015; AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE DEPARTMENT OF EDUCATION - GRANTS AND AID TO LOCAL SCHOOL DISTRICTS APPROPRIATION FOR THE 2014-2015 FISCAL YEAR.

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

SECTION 1. APPROPRIATION. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for grants and aid to local school districts and special programs of the Department of Education for the fiscal year ending June 30, 2015, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2014-2015</u>
(01) 98% URT ACTUAL COLLECTION ADJUSTMENT	\$34,500,000
(02) ADDITIONAL PUBLIC SCHOOL EMPLOYEE HEALTH INSURANCE	15,000,000
(03) ADVANCED PLACEMENT INCENTIVE	825,000
(04) ALTERNATIVE LEARNING	23,733,153
(05) ARKANSAS EASTER SEALS	193,113



(06)	ASSESSMENT/END OF COURSE TESTING	24,223,861
(07)	AT RISK	1,688,530
(08)	BETTER CHANCE PROGRAM	111,000,000
(09)	BONDED DEBT ASSISTANCE	28,455,384
(10)	CONSOLIDATION INCENTIVE	5,640,300
(11)	CONTENT STANDARDS	161,000
(12)	CONTENTS STANDARDS CURRICULUM FRAMEWORKS	50,000
(13)	COOP EDUCATION TECH CENTERS	1,200,000
(14)	COORDINATED SCHOOL HEALTH	2,000,000
(15)	COURT ORDERED DESEGREGATION	69,814,372
(16)	CRIMINAL BACKGROUND CHECKS	25,000
(17)	DECLINING ENROLLMENT	13,963,389
(18)	DEPT OF CORRECTION	6,396,775
(19)	DISTANCE LEARNING	4,760,000
(20)	DISTANCE LEARNING OPERATIONS	7,575,000
(21)	DISTRESSED SCHOOL DISTRICT SUPPORT	50,000
(22)	EARLY CHILDHOOD SPECIAL EDUCATION	16,897,920
(23)	ECONOMIC EDUCATION	350,000
(24)	EDUCATION SERVICE COOPERATIVES	6,129,270
(25)	ENGLISH LANGUAGE LEARNERS	14,004,642
(26)	GENERAL FACILITIES FUNDING	8,100,000
(27)	GIFTED & TALENTED	1,335,381
(28)	GRANTS TO SCHOOL DISTRICTS	67,856
(29)	HOME SCHOOL TESTING	250,000
(30)	HUMAN DEVELOPMENT CENTER EDUCATION AID	526,150
(31)	INTERVENTION BLOCK GRANTS	302,000
(32)	ISOLATED FUNDING	7,896,000
(33)	LEADERSHIP ACADEMY-MASTER PRINCIPAL	500,000
(34)	MASTER PRINCIPAL BONUS	200,000
(35)	NATIONAL BOARD OF PROF TEACHING STANDARDS	15,016,160
(36)	NATIONAL SCHOOL LUNCH	213,768,543
(37)	NON-TRADITIONAL LICENSURE	50,000
(38)	PROFESSIONAL DEVELOPMENT FUNDING	25,126,997

(39)	PUBLIC SCHOOL EMPLOYEE INSURANCE	57,373,600
(40)	RESIDENTIAL CENTERS/JUVENILE DETENTION	16,345,087
(41)	SCHOOL FACILITY JOINT USE SUPPORT	500,000
(42)	SCHOOL FOOD SERVICES	1,650,000
(43)	SCHOOL FOOD-LEGISLATIVE AUDIT	75,000
(44)	SCHOOL FUNDING CONTINGENCY	25,000,000
(45)	SCHOOL WORKER DEFENSE	390,000
(46)	SERIOUS OFFENDER	1,716,859
(47)	SMART START/SMART STEP	10,666,303
(48)	SPECIAL EDUCATION SERVICES	2,802,527
(49)	SPECIAL EDUCATION-CATASTROPHIC	12,900,000
(50)	SPECIAL NEEDS ISOLATED FUNDING	3,000,000
(51)	STATE FOUNDATION FUNDING	1,976,072,528
(52)	STUDENT GROWTH	28,500,000
(53)	SUPPLEMENTAL MILLAGE	10,000,000
(54)	SURPLUS COMMODITIES	1,349,810
(55)	TEACHER LICENSING/MENTORING	5,008,758
(56)	TEACHER OF THE YEAR	100,000
(57)	TEACHER RECRUITMENT	2,100,000
(58)	TEACHER RETIREMENT MATCHING	11,112,407
(59)	TECHNOLOGY GRANTS	3,602,678
(60)	TECHNOLOGY IMPROVEMENTS	500,000
(61)	WORKER'S COMPENSATION	450,000
(62)	YOUTH SHELTERS	165,000
(63)	SCHOOL, CAMPUS AND CHILD SAFETY AND ACTIVE SHOOTER/SAFE SCHOOLS INITIATIVES	691,500
(64)	REG. COMMUNITY ALTERNATIVE LEARNING ENVIRONMENT CENTER-TRANSPORTATION	70,000
(65)	REG. COMMUNITY ALTERNATIVE LEARNING ENVIRONMENT CENTER-TRUANCY OFFICERS	<u>275,000</u>
	TOTAL AMOUNT APPROPRIATED	<u>\$2,834,192,853</u>

SECTION 2. REGULAR SALARIES - ARKANSAS PUBLIC SCHOOL COMPUTER NETWORK.
There is hereby established for the Department of Education - Arkansas Public School Computer Network for the 2014-2015 fiscal year, the following maximum

number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2014-2015
(1)	N047N	ADE APSCN DIRECTOR	1	GRADE N908
(2)	G012C	ADE ASSISTANT TO COMMISSIONER	2	GRADE C129
(3)	G050C	ADE APSCN DIVISION MANAGER	2	GRADE C126
(4)	D037C	ADE APSCN APPLICATIONS MANAGER	5	GRADE C124
(5)	D038C	SENIOR SOFTWARE SUPPORT ANALYST	2	GRADE C123
(6)	D050C	SECURITY ANALYST	1	GRADE C122
(7)	D044C	SYSTEMS ANALYST	1	GRADE C122
(8)	D055C	ADE APSCN FIELD ANALYST	25	GRADE C121
(9)	C020C	STUDENT APPLICATIONS SPECIALIST	5	GRADE C116
(10)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
(11)	D077C	HELP DESK SPECIALIST	2	GRADE C115
(12)	C056C	ADMINISTRATIVE SPECIALIST III	<u>1</u>	GRADE C112
		MAX. NO. OF EMPLOYEES	48	

SECTION 3. APPROPRIATION - ARKANSAS PUBLIC SCHOOL COMPUTER NETWORK.

There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for personal services and operating expenses of the Department of Education - Arkansas Public School Computer Network for the fiscal year ending June 30, 2015, the following:

ITEM NO.	FISCAL YEAR 2014-2015
(01) REGULAR SALARIES	\$2,330,477
(02) PERSONAL SERVICES MATCHING	791,978
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	19,245,839
(B) CONF. & TRAVEL	7,250
(C) PROF. FEES	0
(D) CAP. OUTLAY	200,000

(E) DATA PROC.	0
(04) DATA ACCESS IMPLEMENTATION	<u>300,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$22,875,544</u></u>

SECTION 4. REGULAR SALARIES - OFFICE OF EDUCATION RENEWAL ZONES. There is hereby established for the Department of Education - Office of Education Renewal Zones for the 2014-2015 fiscal year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2014-2015
(1)	E007C	ADE OERZ DIRECTOR	1	GRADE C126
(2)	E020C	ADE OERZ TECHNICAL ASSIST SPECIALIST	3	GRADE C122
(3)	C056C	ADMINISTRATIVE SPECIALIST III	<u>1</u>	GRADE C112
		MAX. NO. OF EMPLOYEES	5	

SECTION 5. APPROPRIATION - OFFICE OF EDUCATION RENEWAL ZONES. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for personal services, operating expenses and grants by the Department of Education - Office of Education Renewal Zones for the fiscal year ending June 30, 2015, the following:

ITEM NO.	FISCAL YEAR 2014-2015
(01) REGULAR SALARIES	\$259,688
(02) PERSONAL SERVICES MATCHING	86,535
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	91,800
(B) CONF. & TRAVEL	13,000
(C) PROF. FEES	306,900
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(04) EDUCATIONAL RENEWAL ZONE GRANTS	<u>717,450</u>

TOTAL AMOUNT APPROPRIATED \$1,475,373

SECTION 6. APPROPRIATION - TECHNOLOGY DEVELOPMENT AND RESEARCH GRANTS. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for grants to the Arkansas Science and Technology Authority for technology development and research grants by the Department of Education for the fiscal year ending June 30, 2015, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2014-2015</u>
(01) TECHNOLOGY DEVELOPMENT AND RESEARCH GRANTS	<u>\$3,000,000</u>

SECTION 7. APPROPRIATION - SCHOOL RECOGNITION PROGRAM. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for the payment of financial awards to public schools through the Arkansas School Recognition Program by the Department of Education for the fiscal year ending June 30, 2015, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2014-2015</u>
(01) ARKANSAS SCHOOL RECOGNITION PROGRAM	<u>\$10,000,000</u>

SECTION 8. APPROPRIATION - INTERNATIONAL BACCALAUREATE PROGRAM. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for grants and aid to local school districts for the International Baccalaureate Program by the Department of Education for the fiscal year ending June 30, 2015, the sum of.....\$75,000.

SECTION 9. APPROPRIATION - BROADBAND FACILITIES MATCHING GRANT PROGRAM. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for matching funds for the Broadband Facilities Matching Grant Program, for the fiscal

year ending June 30, 2015, the following:

<i>ITEM</i>	<i>FISCAL YEAR</i>
<u><i>NO.</i></u>	<u><i>2014-2015</i></u>
<i>(01) BROADBAND GRANTS STATE MATCH</i>	<u><u><i>\$10,000,000</i></u></u>

SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. BROADBAND FACILITIES MATCHING GRANT PROGRAM - RESTRICTIONS AND MATCHING FUNDS. (i) The appropriation in this Act for the Broadband Facilities Matching Grant Program shall not be used for Arkansas Research and Education Optical Network (AREON) or Middle Mile Connectivity.

(ii) The funds appropriated for state match for the Broadband Facilities Matching Grant Program in this Act shall be paid on a one-to-one state/local matching basis.

The provisions of this section shall be in effect only from July 1, 2014 through June 30, 2015.

SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. Any unexpended balance of monies allocated for the Broadband Facilities Matching Grant Program remaining on June 30, 2015, in the Department of Education Public School Fund Account shall be designated and retained for the Broadband Facilities Matching Grant Program.

Any carry forward of unexpected balance of funding as authorized herein, may be carried forward under the following conditions:

(1) Prior to June 30, 2015 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget;

(2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request set forth in item (1) above;

(3) Each Agency, Board, Commission or Institution shall provide a written report to the Arkansas Legislative Council or Joint Budget Committee containing all information set forth in item (2) above, along with a written statement as to the current status of the project, contract, purpose, etc. for which the carry forward was originally requested no later than thirty (30) days prior to the time the Agency, Board, Commission or Institution presents its budget request to the Arkansas Legislative Council/Joint Budget Committee; and

(4) Thereupon, the Department of Finance and Administration shall include all information obtained in item (3) above in the budget manuals and/or a statement of non-compliance by the Agency, Board, Commission or Institution.

The provisions of this section shall be in effect only from July 1, 2014 through June 30, 2015.

SECTION 12. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 21-5-405(b)(4)(C)(i), concerning additional duties of the State and Public School Life and Health Insurance Board, is amended to read as follows:

(C)(i) A school district shall ensure that all funding allocated for public school employee health insurance through the matrix per-student funding calculation used in the most recent adequacy study conducted under the Continuing Adequacy Evaluation Act of 2004, § 10-3-2101 et seq., is used in the school year in which the funding is received or in the following school year to support public school employee health insurance premiums by:

- (a) Increasing the amount that the school district contributes for health insurance per participating public school employee; or
- (b) Making contributions to the health savings accounts of participating public school employees.

SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MANDATORY FUNDING PROVISION. The Department of Education shall expend or have committed for expenditure funds in the Department of Education Public School Fund Account in the amount of seventy-five thousand dollars (\$75,000) to provide funding for grants and aid to local school districts for the International Baccalaureate Program as appropriated herein.

The provisions of this section shall be in effect only from July 1, ~~2013~~ 2014 through June 30, ~~2014~~ 2015.

SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND ALLOCATION. The appropriation for the Isolated Funding line item in Section 1 of this Act may be fully funded. Any funding and appropriation for Isolated Funding that is not utilized shall be transferred to the appropriation for Special Needs Isolated Funding in Section 1 of this Act and shall be used there for fully funding each subsection (c) through (f) of Arkansas Code §6-20-604 on a pro rata basis until the available funds are exhausted. Pro rata basis is defined as providing each district qualifying for additional funding under subsections (c) through (f) a proportionate share based on how each district's additional funding amount bears to the total additional funding amounts for all qualifying districts. If any funding and appropriation remains after funding each subsection (c) through (f) of Arkansas Code §6-20-604 the remaining balance shall be used to fund the provisions of Arkansas Code §6-20-604 (h) on an equal basis until the available funds are exhausted.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. GRANTS TO SCHOOL DISTRICTS. For the purposes of distributing the Grants To School Districts appropriation in Section 1 of this Act, "school district" means a school district which contracts with a school district in an adjoining state for the education of some of the pupils within the Arkansas school district because the portion of the school district wherein such pupils live is completely separated from the remainder of the school district by a reservoir covering at least 12,000 acres at normal water level, and where to attend school in their own district, the pupils of said portion would be required to travel or to be transported a distance (measured by the nearest highway or road route) of more than 35 miles round trip and pass through another school district or districts. The Department of Education shall distribute the monies appropriated for Grants to School Districts in Section 1 of this Act

to such school districts as reimbursement for expenses incurred in educating the pupils residing in the separated portion of the school district. The payments are to be limited to the amount of available appropriation. Such school districts shall file a request for reimbursement with the Department of Education and provide the Department of Education with such documentation as is deemed necessary.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL EDUCATION SERVICES. The funds appropriated in the line item "Special Education Services" in Section 1 of this Act shall be used to provide extended year summer programs for handicapped students in need of such services, to provide special education services to foster children who are wards of the State, and to provide funds for the payment of salaries of special education supervisors. The Department of Education shall distribute such funds in the manner necessary to carry out the intent of this Section.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DESEGREGATION EXPENSES. (A) For the fiscal year ending June 30, and for each fiscal year thereafter, the Department of Education shall from time to time as needed, certify to the State Treasurer and the Chief Fiscal Officer of the State, the amount of funds disbursed or approved to be disbursed by the Department of Education for desegregation expenses under any "Desegregation Settlement Agreement". Upon the receipt of such certification, the State Treasurer, after making those deductions as set out in Arkansas Code 19-5-202(b)(2)(B), shall also deduct from the net general revenues the amount certified and transfer this amount to the Department of Education Public School Fund Account there to be used exclusively for payment of or reimbursement for expenses incurred from the Department of Education Public School Fund Account under any "Desegregation Settlement Agreement".

SECTION 18. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CONSOLIDATION INCENTIVE. The appropriation contained herein for Consolidation Incentive shall be allocated in accordance with rules and regulations established by the State Board of Education.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. RESIDENTIAL CENTERS/JUVENILE DETENTION. The funds appropriated herein for Residential Centers/Juvenile Detention shall be allocated in accordance with rules and regulations established by the State Board of Education.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 20. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER AUTHORITY. The Commissioner of the Department of Education, with the approval of the Chief Fiscal Officer of the State and after approval by the Arkansas Legislative Council or Joint Budget Committee, is hereby authorized to request necessary appropriation transfers and any other budget related adjustments necessary within the Department of Education. Provided, however, that the Department of Education shall be limited to submitting no more than two transfer requests during any fiscal year.

Determining the maximum number of employees and the maximum amount of appropriation and general revenue funding for a state agency each fiscal year is the prerogative of the General Assembly. This is usually accomplished by delineating such maximums in the appropriation act(s) for a state agency and the general revenue allocations authorized for each fund and fund account by amendment to the Revenue Stabilization law. Further, the General Assembly has determined that the Department of Education may operate more efficiently if some flexibility is provided to the Commissioner of the Department of Education authorizing broad powers under the Transfer Authority provision herein. Therefore, it is both necessary and appropriate that the General Assembly maintain oversight by requiring prior approval of the Legislative

Council or Joint Budget Committee as provided by this section. The requirement of approval by the Legislative Council or Joint Budget Committee is not a severable part of this section. If the requirement of approval by the Legislative Council or Joint Budget Committee is ruled unconstitutional by a court jurisdiction, this entire section is void.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 21. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AETN DOCUMENTED QUIZ BOWL COSTS. Of the total amount of appropriation and funds authorized herein to the Department of Education for the Quiz Bowl each fiscal year, an amount not to exceed forty thousand dollars (\$40,000) each fiscal year may be made available to the Department of Education - Educational Television Division for its documented costs associated with the Quiz Bowl.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 22. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. INTERVENTION BLOCK GRANTS FUNDING RESTRICTION. The Department of Education shall make available from the Intervention Block Grants appropriation authorized by this Act, one hundred thousand dollars (\$100,000) each fiscal year for the annual expenses of the Quiz Bowl, thirteen thousand five hundred dollars (\$13,500) each fiscal year for Creativity in Arkansas, Inc. for grants up to \$1,000 each for students and chaperones, thirteen thousand five hundred dollars (\$13,500) each fiscal year for Destination Imagination, one hundred thousand dollars (\$100,000) each fiscal year for the State History Day Competition, and seventy-five thousand dollars (\$75,000) each fiscal year for a grant to the Arkansas Science Fair Association for grants to regional and the state science fairs. The Department of Education shall allocate General Revenue funding totaling no less than three hundred two thousand dollars (\$302,000) each fiscal year from the Department of Education Public School Fund Account to support the annual expenses of the Quiz Bowl, the Creativity in Arkansas, Inc. for grants up to \$1,000 each for students and

chaperones, Destination Imagination, the State History Day Competition, and the Arkansas Science Fair Association for grants to regional and state science fairs. The Department shall either expend or have committed for expenditure the monies allocated for the Quiz Bowl, Creativity in Arkansas, Inc., Destination Imagination, the State History Day Competition, and Arkansas Science Fair Association grants as authorized herein in order to fulfill the provisions of this section.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 23. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EAST FUNDING PROVISION. Of the total amount appropriated for Technology Grants each fiscal year, an amount of not less than two million dollars (\$2,000,000) or eighteen percent (18%), whichever is greater each fiscal year, shall be awarded through a grant or professional services contract for EAST infrastructure, personnel, and operating expenses. The EAST infrastructure grant or contract for personal services and operating expenses shall be awarded to an entity that has personnel or experience, or both, in implementing the EAST Initiative.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 24. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CENTER FOR QUALITY TEACHING AND LEARNING FUNDING PROVISION. Of the total appropriation authorized by this Act for Technology Grants the Department of Education shall make available one hundred eighty-seven thousand five hundred seventy-five dollars (\$187,575) each fiscal year for Center for Quality Teaching and Learning initiatives to teach students computer repair in a hands-on environment. The Department of Education shall allocate General Revenue funding totaling no less than one hundred eighty-seven thousand five hundred seventy-five dollars (\$187,575) each fiscal year from the Department of Education Public School Fund Account to support the Center for Quality Teaching and Learning. The Department shall either expend or have committed for expenditure the monies allocated for the Center for Quality Teaching and

Learning in order to fulfill the provisions of this section.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

DISTRESSED SCHOOL DISTRICT SUPPORT. The funds appropriated in the line item "Distressed School District Support" in Section 1 of this Act may be used for technical assistance offered by the Department of Education to school districts in academic distress that can include, but is not limited to, teacher specialists, principal specialists, and other personnel assigned by the department. These funds may also be used for alternative research-based technical assistance or programs. Criteria for selecting and approving alternative research-based technical assistance or programs are to be promulgated as a rule by the State Board of Education, provided that alternative staffing and/or compensation programs for teachers shall be approved by at least a majority of the teachers in the school, schools, or school district participating in the program.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

PROFESSIONAL DEVELOPMENT. Of the total amount appropriated for Professional Development Funding, four million dollars (\$4,000,000) may be authorized by the Commissioner of the Department of Education to be used by the Department of Education to develop and implement statewide professional development support systems for teachers that will benefit student achievement.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

RETIREMENT MATCHING. Beginning with the 1996-97 school year, Local School Districts shall pay the teacher retirement employer contribution rate for any eligible employee in accordance with rules and regulations established by the

Teacher Retirement Board of Directors. The appropriation contained herein for Teacher Retirement Matching each fiscal year shall be used to provide the employer matching for employees of the Cooperative Education Services Areas, Vocational Centers, Arkansas Easter Seals and the school operated by the Department of Correction.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 28. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. OPEN-ENROLLMENT VIRTUAL CHARTER SCHOOL PROVISIONS.

(a)(1) Regardless of any provision of law to the contrary, ~~no~~ a school district or public charter school shall ~~receive state~~ remit to the Department of Education the foundation funding amount for the 2014-2015 school year and each school year thereafter for ~~those students~~ a student who ~~are included~~ is counted in the school district's or public charter school's average daily membership for the previous school year but who ~~are~~ is attending ~~any~~ an open-enrollment public virtual charter school that uses internet, long-distance, or virtual technology as the primary method of teaching.

(2)(A) Beginning with the 2013-2014 school year, for each new student enrolled pursuant to subdivision (d) of this section, an open-enrollment public virtual charter school shall:

(i) Maintain a record of each school district the newly enrolled student attended by quarter in the school year immediately before enrolling in the open-enrollment public virtual charter school; and

(ii) Update the record maintained in subdivision (a)(2)(A) of this section quarterly.

(B) Quarterly, beginning April 1, 2014, an open-enrollment public virtual charter school shall submit to the department a copy of all records required under subdivision (a)(2)(A) of this section.

(3) Beginning April 1, 2014, an open-enrollment public virtual charter school shall not receive per-student state foundation funding aid for a new student enrolled pursuant to subdivision (d) of this section if the open-enrollment public virtual charter school does not maintain and submit the record required in subdivision (a)(2) of this section.

(b) As of school year 2012-13, the State Board of Education has

approved a maximum enrollment of 500 for the open-enrollment public virtual charter school.

(c) Beginning in school year 2013-14 and thereafter, for an open-enrollment public charter granted to a virtual school, the school ~~shall be allowed to~~ may enroll an eligible student in any grade, kindergarten through grade twelve (K-12), up to a total school enrollment of three thousand (3,000) students.

~~(d)(1) Students that become enrolled~~ A student is eligible to enroll in the additional two thousand five hundred (2,500) additional slots authorized by subsection (c) of this Section section if the student must be was enrolled in an Arkansas public school, other than an open-enrollment public virtual charter school, for the first three quarters of the prior school year.

(2) Subdivision (d)(1) does not apply to a student who is enrolling in kindergarten.

(e) A student who is enrolled in an open-enrollment public virtual charter school on or before January 1, 2014 is presumed to be legally enrolled.

(f) The provisions of this section shall be in effect only from July 1, 2013 2014 through June 30, 2014 2015.

SECTION 29. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. BETTER CHANCE PROGRAM ADMINISTRATIVE FEES. The Department of Education is hereby authorized to expend a maximum of two percent (2%) of available funds for administration of the Better Chance Program. Up to 1.8% of available funds shall be used to administer the program and to monitor program grantees to ensure compliance with programmatic standards. Prior to the utilization of the remaining 0.2% of available funds, the Department of Education shall seek prior review and approval of the Arkansas Legislative Council or Joint Budget Committee by providing a written request to include the following: a) the Department's reason(s) for the use of the funds and b) the amount of funds that will be expended. The Department may contract with the Division of Child Care and Early Childhood Education to administer the program.

Determining the maximum number of employees and the maximum amount of appropriation and general revenue funding for a state agency each fiscal year is the prerogative of the General Assembly. This is usually accomplished by

delineating such maximums in the appropriation act(s) for a state agency and the general revenue allocations authorized for each fund and fund account by amendment to the Revenue Stabilization law. Therefore, it is both necessary and appropriate that the General Assembly maintain oversight by requiring prior approval of the Legislative Council or Joint Budget Committee as provided by this section. The requirement of approval by the Legislative Council or Joint Budget Committee is not a severable part of this section. If the requirement of approval by the Legislative Council or Joint Budget Committee is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 30. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AVERAGE TEACHER SALARY. The Arkansas Department of Education is requested to calculate Average Teacher Salary in the Department's Annual Statistical Report to not include extra duty funds. Specifically, the Department is requested to calculate the Average Teacher Salary amount using the National Education Association definitions for Average Salary for Classroom Teachers. The Arkansas Department of Education shall submit this data annually to the National Education Association in accordance with that organization's deadlines for submission for their report "Rankings and Estimates" which includes state-by-state teacher salary comparisons.

SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD. Any unexpended balance of monies allocated for the Arkansas Better Chance for School Success Program remaining on June 30, ~~2013~~ 2015, in the Department of Education Public School Fund Account shall be designated and retained for the Arkansas Better Chance for School Success Program.

Any carry forward of unexpended balance of funding as authorized herein, may be carried forward under the following conditions:

(1) Prior to June 30, ~~2013~~ 2015 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget;

(2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request set forth in (1) above;

(3) Each Agency, Board, Commission or Institution shall provide a written report to the Arkansas Legislative Council or Joint Budget Committee containing all information set forth in item (2) above, along with a written statement as to the current status of the project, contract, purpose etc. for which the carry forward was originally requested no later than thirty (30) days prior to the time the Agency, Board, Commission or Institution presents its budget request to the Arkansas Legislative Council/Joint Budget Committee; and

(4) Thereupon, the Department of Finance and Administration shall include all information obtained in item (3) above in the budget manuals and/or a statement of non-compliance by the Agency, Board, Commission or Institution.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 32. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. PUBLIC SCHOOL RETIREE HEALTH INSURANCE. The Employee Benefits Division of the Department of Finance and Administration may use up to eleven dollars and twenty cents (\$11.20) from each contribution made under Arkansas Code §6-17-1117 (a) to offset the cost of health insurance premiums to eligible members electing to participate in the public school employees' health insurance program as a retiree.

SECTION 33. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ARKANSAS/STRIVE PROGRAM TRANSFER. The Chief Fiscal Officer of the State shall transfer on his books and those of the State Treasurer and the State Auditor, the sum of two hundred thousand dollars (\$200,000) during each fiscal year from the Department of Education Public School Fund Account to

the University of Arkansas at Little Rock Fund, specifically to provide funding for the Arkansas/STRIVE Program. The total amount of funds transferred each fiscal year pursuant to this section shall not be subject to any indirect costs by the University of Arkansas at Little Rock.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 34. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTH INSURANCE. The appropriation contained herein for Public School Employee Insurance each fiscal year shall be used to provide the state contribution for insurance premiums for employees of the Cooperative Education Services Areas, Vocational Centers, and the school operated by the Department of Correction who participate in the Arkansas Public School Life and Health Insurance Program.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 35. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ALTERNATIVE LEARNING ENVIRONMENT. The Department of Education may provide funding for Alternative Learning Environment Programs in excess of the regulatory limitation of six (6) hours per day for those programs that operate more than twelve hours per day, in a proportionate manner and upon special request to the Department of Education.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 36. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE FUND RESTRICTIONS. No state funds shall be used for abortion referral in public schools, or for abortion services. Funds shall be expended in accordance with Arkansas Code Annotated §6-18-703.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 37. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ADDITIONAL PUBLIC SCHOOL EMPLOYEE HEALTH INSURANCE FUNDING PROVISION. Effective for the plan year beginning October 1, ~~2012~~ 2014, if ninety-eight percent (98%) of the uniform rate of tax used in the calculation of State Foundation Funding Aid for fiscal year ~~2012-2013~~ 2014-2015 exceeds nine hundred twenty million seven hundred thirty-one thousand eight hundred nineteen dollars (\$920,731,819), the Department of Education shall pay up to fifteen million dollars (\$15,000,000) of the total increase over the nine hundred twenty million seven hundred thirty-one thousand eight hundred nineteen dollars (\$920,731,819) to the Employee Benefits Division of the Department of Finance and Administration in additional health insurance contributions for eligible employees electing to participate in the public school employees' health insurance program administered by the State and Public School Life and Health Insurance Board.

The Department of Education shall make the contributions by transferring funds to the division in quarterly installments. Funds provided by the Department of Education to the division under this section shall be administered by the board for the benefit of the employee participants of the public school employees' health insurance program.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 38. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ARKANSAS GOVERNOR'S SCHOOL FUNDING. The Department of Education shall allocate, budget and commit for expenditure two hundred fifty thousand dollars (\$250,000), in addition to funds already being provided for the Arkansas Governor's School, to fund the appropriation authorized from general revenue for the Gifted and Talented program as appropriated in Section 1 herein. With this additional funding the duration of the Arkansas Governor's School shall be extended from four (4) weeks to six (6) weeks.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2013~~ 2015.

SECTION 39. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ISOLATED FUNDING - SPECIAL PROVISIONS. When the Department of Education uses a new methodology or technology to recalculate square miles to determine student transportation distance, density ratio, total area, or bus route miles for the purpose of determining the amount of isolated funding a school district receives under Ark. Code Ann. § 6-20-601 et seq., the school district shall receive an amount of isolated funding that is not less than the amount of isolated funding the school district would have received based on the school district's square miles calculated in the prior school year; provided that the school district remains eligible for isolated funding under § 6-20-601 et seq.

The provisions of this section shall be in effect only from July 1, ~~2012~~ 2014 through June 30, ~~2014~~ 2015.

SECTION 40 Section 24 of uncodified Act 1309 of 2013 is amended to read as follows:

SECTION 24. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. OPEN-ENROLLMENT VIRTUAL CHARTER SCHOOL PROVISIONS.

(a)(1) Regardless of any provision of law to the contrary, ~~no~~ a school district or public charter school shall receive state remit to the Department of Education the foundation funding amount for the 2013-2014 school year and each school year thereafter for those students a student who are included is counted in the school district's or public charter school's average daily membership for the previous school year but who are is attending any an open-enrollment public virtual charter school that uses internet, long-distance, or virtual technology as the primary method of teaching.

(2)(A) Beginning with the 2013-2014 school year, for each new student enrolled pursuant to subdivision (d) of this section, an open-enrollment public virtual charter school shall:

(i) Maintain a record of each school district the newly enrolled student attended by quarter in the school year immediately before enrolling in the open-enrollment public virtual charter school; and

(ii) Update the record maintained in subdivision (a)(2)(A) of this section quarterly.

(B) Quarterly, beginning April 1, 2014, an open-enrollment public virtual charter school shall submit to the department a copy of all records required under subdivision (a)(2)(A) of this section.

(3) Beginning April 1, 2014, an open-enrollment public virtual charter school shall not receive per-student state foundation funding aid for a new student enrolled pursuant to subdivision (d) of this section if the open-enrollment public virtual charter school does not maintain and submit the record required in subdivision (a)(2) of this section.

(b) As of school year 2012-13, the State Board of Education has approved a maximum enrollment of 500 for the open-enrollment public virtual charter school.

(c) Beginning in school year 2013-14 and thereafter, for an open-enrollment public charter granted to a virtual school, the school ~~shall be allowed to~~ may enroll an eligible student in any grade, kindergarten through grade twelve (K-12), up to a total school enrollment of three thousand (3,000) students.

~~(d)(1) Students that become enrolled~~ A student is eligible to enroll in the additional two thousand five hundred (2,500) additional slots authorized by subsection (c) of this Section section if the student ~~must be~~ was enrolled in an Arkansas public school, other than an open-enrollment public virtual charter school, for the first three quarters of the prior school year.

(2) Subdivision (d)(1) does not apply to a student who is enrolling in kindergarten.

(e) A student who is enrolled in an open-enrollment public virtual charter school on or before January 1, 2014 is presumed to be legally enrolled.

(f) The provisions of this section shall be in effect only from July 1, ~~2012~~ 2013 through June 30, ~~2013~~ 2014.

SECTION 41. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and

the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

SECTION 42. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 43. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2014 is essential to the operation of the agency for which the appropriations in this Act are provided; with the exception that SECTION 40 in this Act shall be in full force and effect from and after the date of its passage and approval, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2014 could work irreparable harm upon the proper administration and provision of essential governmental programs, with the exception that SECTION 40 in this Act shall be in full force and effect from and after the date of its passage and approval. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2014; with the exception that SECTION 40 in this Act shall be in full force and effect from and after the date of its passage and approval.

/s/ Joint Budget Committee

APPROVED: 03/13/2014