

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 504

By: Senator Irvin

For An Act To Be Entitled

AN ACT TO AMEND PROVISIONS OF THE CODE CONCERNING
STATE FOUNDATION FUNDING AID; TO CREATE THE TEACHER
SALARY EQUALIZATION FUND; TO DECLARE AN EMERGENCY;
AND FOR OTHER PURPOSES.

Subtitle

TO AMEND PROVISIONS OF THE CODE
CONCERNING STATE FOUNDATION FUNDING AID;
TO CREATE THE TEACHER SALARY EQUALIZATION
FUND; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. DO NOT CODIFY. Legislative findings.

The General Assembly finds that:

(1) In Lake View Sch. Dist. No. 25 v. Huckabee, 351 Ark. 31, (2002), the Supreme Court identified the following as two (2) historical deficiencies of education funding:

(A) Teacher salaries that are not comparable to surrounding states; and

(B) Disparities in teacher salaries within this state;

(2) The Bureau of Legislative Research reported that the average teacher salary in this state for fiscal year 2020 was forty-nine thousand eight hundred twenty-two dollars (\$49,822) as published by the National Education Association, which is an increase of three hundred eighty-four dollars (\$384) from forty-nine thousand four hundred thirty-eight dollars (\$49,438) in fiscal year 2019;



(3) In the 2020 adequacy study, the teacher salary report presented to the House Committee on Education and the Senate Committee on Education reported data indicating that Arkansas is not keeping pace with surrounding and Southern Regional Educational Board member states;

(4) In 2019, the gap between the highest average salary within the state of sixty thousand nine hundred sixty-three dollars (\$60,963) and the lowest average salary of thirty-nine thousand five hundred seventy-eight dollars (\$39,578) was twenty-one thousand three hundred eighty-five dollars (\$21,385);

(5) In surveys of principals and superintendents, the Bureau of Legislative Research reported difficulty in offering competitive salaries as the most significant barrier to teacher recruitment and retention; and

(6) Difficulty in offering competitive salaries continues to be a barrier to teacher recruitment and retention despite increases to the minimum teacher salaries each year since 2015.

SECTION 2. Arkansas Code § 6-20-2305(b)(1), concerning state foundation funding aid and school funding under the Public School Funding Act of 2003, is amended to read as follows:

(b)(1) In addition to state foundation funding aid, each school district shall receive funding for additional education categories as provided in ~~subdivisions (b)(2)-(5)~~ subdivisions (b)(2)-(6) of this section.

SECTION 3. Arkansas Code § 6-20-2305(b), concerning state foundation funding aid and school funding under the Public School Funding Act of 2003, is amended to add an additional subdivision to read as follows:

(6)(A)(i) Beginning with the 2021-2022 school year, for school districts identified by the Division of Elementary and Secondary Education as having an average annual teacher salary below the statewide target average annual salary, teacher salary equalization funding shall be equal to one hundred eighty-five dollars (\$185) multiplied by the average daily membership of the school district for the previous school year.

(ii) For the 2021-2022 and 2022-2023 school years, the statewide target average annual salary shall be fifty-one thousand eight hundred twenty-two dollars (\$51,822).

(iii) The House Committee on Education and the

Senate Committee on Education shall set jointly the statewide target average annual salary for the 2023-2024 and 2024-2025 school years, and each biennium thereafter, as part of the adequacy review process required under § 10-3-2102.

(B)(i) On or before October 31 of each year, the Division of Elementary and Secondary Education shall determine if a school district is eligible to receive teacher salary equalization funds by reviewing certified salary data submitted by the school district for the immediately preceding fiscal year.

(ii) A school district with an average annual teacher salary meeting or exceeding the statewide target average annual teacher salary for the year is ineligible to receive teacher salary equalization funds exceeding the amount received by the school district in the previous year.

(iii) A school district that receives funds from the Educator Compensation Reform Fund, Acts 2019, No. 877, is ineligible to receive teacher salary equalization funds for the year in which the school district receives funds from the Educator Compensation Reform Fund.

(iv) A school district shall continue to receive teacher salary equalization funds in the same amount as the preceding fiscal year in addition to the amount eligible for the current fiscal year.

(C) Teacher salary equalization funding provided to a school district under this subchapter shall be expended only for teacher salaries and benefits.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that there is a shortage of licensed teachers in several areas of this state; that teacher salaries are a key factor in attracting individuals to the field of teaching; and that the provisions of this act should become effective immediately in order to allow the provisions of this act to be implemented for the 2021-2022 school year. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

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

(2) If the bill is neither approved nor vetoed by the Governor,

the expiration of the period of time during which the Governor may veto the bill; or

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

APPROVED: 4/12/21