

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
89th General Assembly  
Regular Session, 2013

As Engrossed: H4/2/13 H4/12/13

# A Bill

HOUSE BILL 1774

By: Representative McLean  
By: Senators J. Key, *Elliott*

## For An Act To Be Entitled

AN ACT TO AMEND VARIOUS PROVISIONS OF THE ARKANSAS  
CODE CONCERNING PUBLIC SCHOOL FUNDING *AMOUNTS; TO*  
*DECLARE AN EMERGENCY;* AND FOR OTHER PURPOSES.

### Subtitle

*TO AMEND VARIOUS PROVISIONS OF THE*  
*ARKANSAS CODE CONCERNING PUBLIC SCHOOL*  
*FUNDING AMOUNTS; AND TO DECLARE AN*  
*EMERGENCY.*

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

*SECTION 1. Arkansas Code § 6-20-2305(a)(2), concerning per-student  
foundation funding amounts, is amended to read as follows:*

*(2)(A) For the ~~2011-2012~~ 2013-2014 school year, the foundation  
funding amount is equal to ~~six thousand one hundred forty-four dollars~~  
~~(\$6,144)~~ six thousand three hundred ninety-three dollars (\$6,393) multiplied  
by the school district's average daily membership for the previous school  
year.*

*(B) For the ~~2012-2013~~ 2014-2015 school year and each  
school year thereafter, the foundation funding amount is equal to ~~six~~  
~~thousand two hundred sixty-seven dollars (\$6,267)~~ six thousand five hundred  
twenty-one dollars (\$6,521) multiplied by the school district's average daily  
membership for the previous school year.*

*SECTION 2. Arkansas Code § 6-20-2305(b)(2)(A)(i) and (ii), concerning*



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*per-student state categorical funding amounts for alternative learning environments, are amended to read as follows:*

*(2)(A)(i) For the ~~2011-2012~~ 2013-2014 school year, alternative learning environment funding shall be ~~four thousand one hundred forty five dollars (\$4,145)~~ four thousand three hundred five dollars (\$4,305) multiplied by the number of identified alternative learning environment students enrolled during the previous school year.*

*(ii) For the ~~2012-2013~~ 2014-2015 school year and each school year thereafter, alternative learning environment funding shall be ~~four thousand two hundred twenty eight dollars (\$4,228)~~ four thousand three hundred eighty-three dollars (\$4,383) multiplied by the number of identified alternative learning environment students enrolled during the previous school year.*

*SECTION 3. Arkansas Code § 6-20-2305(b)(3)(A) and (B), concerning per-student state categorical funding amounts for English-language learners, are amended to read as follows:*

*(3)(A) For the ~~2011-2012~~ 2013-2014 school year, funding for students who are identified as English-language learners shall be ~~two hundred ninety nine dollars (\$299)~~ three hundred eleven dollars (\$311) for each identified English-language learner.*

*(B) For the ~~2012-2013~~ 2014-2015 school year and each school year thereafter, funding for students who are identified as English-language learners shall be ~~three hundred five dollars (\$305)~~ three hundred seventeen dollars (\$317) for each identified English-language learner.*

*SECTION 4. Arkansas Code § 6-20-2305(b)(4)(A)(i)-(iii), concerning per-student state categorical funding amounts for national school lunch students, are amended to read as follows:*

*(i) For a school district in which ninety percent (90%) or greater of the previous school year's enrolled students are national school lunch students, the amount of per-student national school lunch state categorical funding ~~shall be one thousand five hundred eighteen dollars (\$1,518) for the 2011-2012 school year, and is~~ one thousand five hundred forty-nine dollars (\$1,549) for the 2012-2013 school year and for each school year thereafter;*

(ii) For school districts in which at least seventy percent (70%) but less than ninety percent (90%) of the previous school year's enrolled students are national school lunch students, the amount of per-student national school lunch state categorical funding ~~shall be one thousand twelve dollars (\$1,012) for the 2011-2012 school year, and is one thousand thirty-three dollars (\$1,033) for the 2012-2013 school year and for each school year thereafter;~~ and

(iii) For school districts in which less than seventy percent (70%) of the previous school year's enrolled students are national school lunch students, the amount of ~~per-student~~ per-student national school lunch state categorical funding ~~shall be five hundred six dollars (\$506) for the 2011-2012 school year, and is five hundred seventeen dollars (\$517) for the 2012-2013 school year and each school year thereafter.~~

SECTION 5. Arkansas Code § 6-20-2305(b)(5)(A) and (B), concerning per-student state categorical funding amounts for professional development, are amended to read as follows:

(5)(A) For the ~~2011-2012~~ 2013-2014 school year, professional development funding shall be equal to an amount of up to ~~fifty-one dollars (\$51.00)~~ fifty-three dollars (\$53.00) multiplied by the school district's previous school year average daily membership.

(B) For the ~~2012-2013~~ 2014-2015 school year and each school year thereafter, professional development funding shall be equal to an amount of up to ~~fifty-two dollars (\$52.00)~~ fifty-four dollars (\$54.00) multiplied by the school district's previous school year average daily membership.

SECTION 6. DO NOT CODIFY. TEMPORARY LANGUAGE.

(a) The General Assembly finds that:

(1) It is the duty of the State of Arkansas to provide a general, suitable, and efficient system of free public schools to the children of the state, under Arkansas Constitution, Article 14, § 1;

(2) The General Assembly is obligated to ensure the provision of an adequate and equitable system of education;

(3) The House Committee on Education, the Senate Committee on Education, and the Eighty-ninth General Assembly examined national school lunch state categorical funding to determine how the funding affects student

achievement;

(4) While the state's goal in providing national school lunch state categorical funding is to provide a greater level of resources to school districts with the highest concentration of economically disadvantaged students, the current method of funding should be improved to better meet that goal;

(5) The evidence presented to the House Committee on Education, the Senate Committee on Education, and the Eighty-ninth General Assembly indicates that the method in which national school lunch state categorical funding is distributed should change;

(6) Evidence presented to the House Committee on Education and the Senate Committee on Education in March 2013 shows that the current method of funding national school lunch state categorical amounts should be revised to align more directly with student achievement;

(7) The current method of distributing national school lunch state categorical funding does not differentiate between the family income levels of students who are at significantly different poverty levels;

(8) A change in the method of distributing national school lunch state categorical funding should produce a greater alignment of funding with concentrations of national school lunch students and focus the existing resources on programs associated with achievement gains for economically disadvantaged and low-performing students;

(9) School districts should only be permitted to use national school lunch state categorical funding to fund evidence-based programs directed at improving student achievement for economically disadvantaged and low-performing students;

(10) The House Committee on Education and the Senate Committee on Education, meeting jointly, adopted two recommendations for national school lunch state categorical funding:

(A) Replace the current national school lunch state categorical funding mechanism with a model that provides funding for economically disadvantaged students on a sliding scale; and

(B) Prioritize and focus school districts' allowable uses of educational funding for economically disadvantaged students;

(11) The recommendations in subdivision (10) were adopted partially in response to a report by the Bureau of Legislative Research

indicating that current national school lunch state categorical funding levels have not achieved desired achievement gains. The bureau also found that the number of allowed uses for national school lunch state categorical funding may dilute the impact of the funding but that further study would be necessary to determine whether this is so;

(12) While these concerns are important, the General Assembly has not had sufficient time to act on the findings and recommendations of the House Committee on Education and the Senate Committee on Education to find the best possible solution to the identified problems and recommendations. More time and study is needed to determine how best to implement the recommendations. However, it is clear that the evidence strongly suggests that an increase of national school lunch state categorical funding for the upcoming school year is unlikely to produce the expected increase in academic achievement for the students for whom the funding is provided.

(b) The House Committee on Education and the Senate Committee on Education, in conjunction with the bureau and the Department of Education, shall conduct a study and make the following recommendations to the Eighty-ninth General Assembly for consideration during the 2014 Fiscal Session:

(1) A list of evidence-based programs for which national school lunch state categorical funds may be expended by school districts; and

(2) A new national school lunch state categorical funding formula to replace the current national school lunch state categorical funding mechanism with a model that:

(A) Provides funding for economically disadvantaged students on a sliding scale; and

(B) Weights the funding to provide more money to school districts for students who, under federal poverty guidelines, qualify for free meals than it provides to students who qualify for reduced-priced meals.

SECTION 7. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that it is the state's constitutional obligation to provide a general, suitable, and efficient free system of public schools in the state; that the public school funding distribution changes in this act are necessary to ensure that proper funding is provided to public schools and school districts; and that this act is immediately necessary so that public schools and school districts will

receive the amount of funding provided under this act for the 2013-2014 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 July 1, 2013.

*/s/McLean*