

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

State of Arkansas
90th General Assembly
Regular Session, 2015

As Engrossed: H3/17/15

A Bill

HOUSE BILL 1856

By: Representative Murdock

For An Act To Be Entitled

AN ACT TO REMOVE TRANSPORTATION FUNDING FROM THE FOUNDATION FUNDING CALCULATION AND CREATE A TRANSPORTATION CATEGORICAL FUND; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO REMOVE TRANSPORTATION FUNDING FROM THE FOUNDATION FUNDING CALCULATION AND CREATE A TRANSPORTATION CATEGORICAL FUNDING; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code Title 6, Chapter 20, Subchapter 23, is amended to add an additional section to read as follows:

6-20-2309. Public School Student Transportation Funding Act of 2015.

(a) This section shall be known and may be cited as the "Public School Student Transportation Funding Act of 2015."

(b) The General Assembly finds that:

(1) Public school student transportation is currently funded on a per-student basis as part of the foundation funding formula, under which each Arkansas school district receives the same amount of per-student funding for student transportation;

(2) The actual costs of providing student transportation vary widely among Arkansas school districts, and consequently the state student transportation funding for some districts is well below actual transportation costs while for other school districts it is well above actual transportation



costs;

(3) There is no persuasive reason to provide each Arkansas school district the same amount of per-student funding for student transportation without regard to a district's actual student transportation cost;

(4) As discussed in the Odden and Picus 2006 report, "Recalibrating the Arkansas School Funding Structure" student transportation costs were included in the foundation funding formula until a separate standards-based funding formula could be developed;

(5) A standards-based student transportation funding formula based on route miles that would accurately and fairly fund the student transportation costs of Arkansas school districts has been developed;

(6) The Bureau of Legislative Research presented a standards-based student transportation funding formula to the House Committee on Education and the Senate Committee on Education for the 2008, 2010, 2012, and 2014 adequacy studies; and

(7) The student transportation funding formula presented by the bureau would be ninety-eight percent (98%) accurate in funding school districts' actual student transportation costs.

(c) Beginning with the 2015-2016 school year, the Department of Education shall provide to a school district annual state funding for student transportation based on the school district's student transportation costs as determined by a standards-based formula in which student transportation cost is a function of a school district's historical route miles.

(d) Except as provided under subsection (e) of this section, all student transportation funding provided under this subchapter shall be distributed as provided under this section.

(e) To provide a smooth transition to accurate student transportation funding, the department shall distribute student transportation funding to a school district under this section in an amount that is:

(1) For the 2015-2016 school year, not less than seventy-five percent (75%) of the amount of funding within the per-student foundation funding amount for the 2014-2015 school year that represents the calculation for student transportation;

(2) For the 2016-2017 school year, not less than fifty percent (50%) of the amount of funding within the per-student foundation funding

amount for the 2014-2015 school year that represents the calculation for student transportation; and

(3) For the 2017-2018 school year, not less than twenty-five percent (25%) of the amount of funding within the per-student foundation funding amount for the 2014-2015 school year that represents the calculation for student transportation.

(f) The State Board of Education shall promulgate rules to implement this section.

SECTION 2. 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 many school districts have high student transportation costs and must use a greater amount of foundation funding for student transportation than other school districts; that the student transportation funding and distribution under this act are needed to ensure that proper resources are provided to public schools and school districts under the state's constitutional obligation; that the Department of Education shall begin the distribution of public school funding for the 2015 - 2016 school year in August 2015; 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 2015-2016 school year. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2015.

/s/Murdock