

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 1857

By: Representative Murdock

### **For An Act To Be Entitled**

AN ACT TO MODIFY THE ELIGIBILITY CRITERIA FOR ISOLATED FUNDING AND ISOLATED SPECIAL NEEDS FUNDING, INCLUDING THE DISTRIBUTION OF THOSE FUNDS; AND FOR OTHER PURPOSES.

### **Subtitle**

TO MODIFY THE ELIGIBILITY CRITERIA FOR ISOLATED FUNDING AND ISOLATED SPECIAL NEEDS FUNDING, INCLUDING THE DISTRIBUTION OF THOSE FUNDS.

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

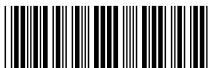
*SECTION 1. Arkansas Code § 6-20-601(c), concerning the qualifications for receiving isolated funding, is repealed.*

~~*(c) Any school district designated as an isolated school district for the 1996-1997 fiscal year that used geographic barriers as one (1) of the four (4) criteria necessary to receive isolated funding shall be allowed to continue to use geographic barriers as a criterion for future allocations of isolated funding.*~~

*SECTION 2. Arkansas Code § 6-20-603(b) and (c), concerning continued support of isolated school districts, are amended to read as follows:*

*(b) Each school year, the:*

*(1) Department of Education shall verify that each isolated school area continues to meet at least four (4) of the five (5) criteria under § 6-20-601(a); and*



~~(2) state State financial aid in the form of isolated funding shall be provided to school districts containing an isolated school area that the department verifies as meeting at least four (4) of the five (5) criteria under § 6-20-601(a) in an amount equal to the prior-year three-quarter average daily membership of the isolated school area multiplied by the per student isolated funding amount for the isolated school areas as set forth under column "C" of subsection (a) of this section.~~

~~(c)(1) Except as provided under subdivision (c)(2) of this section, a (c) A school district may not receive isolated funding under this section for an isolated school area if the prior-year three-quarter average daily membership of the isolated school area exceeds three hundred fifty (350).~~

~~(2) A school district is entitled to receive the funding under this section for an isolated school area received by the school district in:~~

~~(A) A consolidation under § 6-13-1401 et seq. or § 6-13-1601 et seq.; or~~

~~(B) An annexation under § 6-13-1401 et seq. or the Public Education Reorganization Act, § 6-13-1601 et seq.~~

SECTION 3. Arkansas Code § 6-20-604(b), concerning additional funding, is amended to read as follows:

(b) A school district shall receive special needs funding under subsection (c), (d), or (e) of this section if the school district meets the requirements of subsection (c), (d), or (e), respectively, of this section and ~~if~~ the Department of Education verifies that the isolated school area in the schools district continues to meet at least four (4) of the five (5) criteria under § 6-20-601(a).

~~(1) The school district was consolidated or annexed or received an annexed school under the Public Education Reorganization Act, § 6-13-1601 et seq.;~~

~~(2) The local school district board of directors by majority vote determines that the isolated school is so isolated that to combine its operation to one (1) school district campus would be impractical or unwise; and~~

~~(3) The isolated school or school district:~~

~~(A) Meets the requirements of § 6-20-601 and filed an affidavit of isolated school status with the State Board of Education during~~

~~the consolidation or annexation process, and the facts of the affidavit are verified by the state board or its designee;~~

~~(B) Meets the requirements of § 6-20-601 and 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; or~~

~~(C) Meets the requirements of § 6-20-601 but for the prior-year three-quarter average daily membership requirement of three hundred fifty (350) students or fewer and 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.~~

SECTION 4. Arkansas Code § 6-20-604(e), concerning additional funding, is amended to read as follows:

~~(e)(1) Except as provided in subdivision (e)(2) of this section, a (e)~~  
A school district meeting the requirements of subsection (b) of this section shall receive an additional amount equal to ten percent (10%) of the per-student foundation funding amount under § 6-20-2305(a)(2) multiplied by the prior-year three-quarter average daily membership of the isolated school area to be used for the operation of the isolated school area if the school district has school facilities open for kindergarten through grade twelve (K-12) in one (1) or more isolated school areas meeting the requirements of subsection (b) of this section.

~~(2) A school district shall receive an additional amount equal to ten percent (10%) of the per-student foundation funding amount under § 6-20-2305(a)(2) multiplied by the prior-year three-quarter average daily membership of the isolated school area to be used for the operation of the isolated school area if:~~

~~(A) The school district has school facilities serving students in any grade in kindergarten through grade twelve (K-12) in one (1) or more isolated school areas meeting the requirements of subsection (b) of this section; and~~

~~(B) The school district closed an isolated facility serving students in grades seven through twelve (7-12).~~

*SECTION 5. Arkansas Code § 6-20-604(h)(2)(B), concerning additional funding, is amended to read as follows:*

*(B) Funds distributed under subdivision (h)(2)(A) of this section shall be used by the school district only for ~~transportation costs of~~ the isolated school areas in the school district.*

*SECTION 6. Arkansas Code § 6-20-604(h)(3), concerning additional funding, is repealed.*

*~~(3) Funding provided under this section is in addition to and in excess of the amount of funds necessary to provide an adequate education as required by the Arkansas Constitution and cannot be relied upon beyond the expiration date of an appropriation made for the purposes of this section.~~*

*/s/Murdock*