

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

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

SENATE BILL 337

By: Senator Hester

For An Act To Be Entitled

AN ACT TO REPEAL THE ACADEMIC FACILITIES
EXTRAORDINARY CIRCUMSTANCES PROGRAM; AND FOR OTHER
PURPOSES.

Subtitle

TO REPEAL THE ACADEMIC FACILITIES
EXTRAORDINARY CIRCUMSTANCES PROGRAM.

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

SECTION 1. DO NOT CODIFY. Findings.

The General Assembly finds that:

(1) The Academic Facilities Extraordinary Circumstances Program was created as a response to the concerns of the Arkansas Supreme Court in Lake View School District No. 25 v. Huckabee, 364 Ark. 398 (2005), that some school districts may not receive any state financial assistance with academic facilities projects because the school districts may not have sufficient resources to qualify for state funds under the Arkansas Public School Academic Facilities Funding Act, § 6-20-2501 et seq., which requires a local contribution based on the relative wealth of the school district;

(2) In developing the program in 2006, the General Assembly found that the need for the program had not been substantiated, no school district came forward claiming that the school district would be unable to adequately repair, renovate, or construct buildings, and that implementing and funding the program was premature;

(3) Since the development of the program in 2006, the need for the program has never been substantiated and, as a result, the program has



never been funded;

(4) Given that there has been no evidence of a need for the program, the program should be repealed.

SECTION 2. Arkansas Code § 6-20-2514 is repealed.

~~6-20-2514. Academic Facilities Extraordinary Circumstances Program.~~

~~(a) The General Assembly finds that:~~

~~(1) In Lake View School District No. 25 v. Huckabee, 364 Ark. 398 (2005), the Arkansas Supreme Court raised concerns that some school districts might not receive any state financial assistance with academic facilities projects because the districts might not have sufficient resources to qualify for state funds under this subchapter, which requires a local contribution based on the relative wealth of the district;~~

~~(2) During the 2006 hearings conducted by the House Interim Committee on Education and Senate Interim Committee on Education after the 2005 Arkansas Supreme Court decision in the Lake View matter, no school district came forward to testify that the district will be unable to adequately repair, renovate, or construct school buildings;~~

~~(3) The contention in subdivision (a)(1) of this section, while not without merit as a theory, has not been substantiated. Therefore, the implementation and funding of a program to provide additional state financial assistance to school districts with limited resources is premature; and~~

~~(4) While implementation and funding may be premature, the development of a program to provide state financial assistance to eligible school districts that do not have sufficient means to contribute an amount of local resources necessary to qualify for state financial participation should be initiated immediately.~~

~~(b)(1) The Commission for Arkansas Public School Academic Facilities and Transportation shall develop by rule the Academic Facilities Extraordinary Circumstances Program under which the Division of Public School Academic Facilities and Transportation shall provide state financial assistance to eligible school districts that do not have sufficient means to contribute an amount of local resources necessary to qualify for state financial participation under the Academic Facilities Partnership Program, § 6-20-2507, or the Academic Facilities Catastrophic Program, § 6-20-2508.~~

~~(2) At a minimum, eligibility criteria for the Academic~~

~~Facilities Extraordinary Circumstances Program shall address:~~

- ~~(A) School districts with declining enrollment;~~
- ~~(B) School districts with rapid enrollment growth;~~
- ~~(C) School districts with insufficient bonding capacity;~~
- ~~(D) School districts with low assessed property~~

~~valuations;~~

- ~~(E) School districts at or above the ninety fifth percentile on the academic facilities wealth index; and~~

~~(F) Any other circumstance deemed extraordinary by the division.~~

~~(3) At a minimum, the application process for the Academic Facilities Extraordinary Circumstances Program shall require a school district to provide the division with evidence of:~~

- ~~(A) The estimated cost of the project;~~
- ~~(B) The amount of local resources available to contribute~~

~~to the project;~~

- ~~(C) The amount and availability of funds from school district fund balances;~~

~~(D) The amount and availability of other public or private assistance;~~

- ~~(E) Effort made by the school district and the local community to develop and provide local resources; and~~

~~(F) How state financial participation, if granted, will support the prudent and resourceful expenditure of state funds and will improve the school district's ability to deliver an adequate and equitable education to public school students in the district.~~

~~(c) The division shall report to the House Committee on Education and the Senate Committee on Education by October 15, 2015, on the development of the Academic Facilities Extraordinary Circumstances Program and shall obtain formal legislative approval before implementing the Academic Facilities Extraordinary Circumstances Program.~~