

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

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: S4/8/25

A Bill

SENATE BILL 149

By: Senator J. English

For An Act To Be Entitled

AN ACT TO AMEND PUBLIC SCHOOL FUNDING AMOUNTS UNDER
THE PUBLIC SCHOOL FUNDING ACT OF 2003; AND FOR OTHER
PURPOSES.

Subtitle

TO AMEND PUBLIC SCHOOL FUNDING AMOUNTS
UNDER THE PUBLIC SCHOOL FUNDING ACT OF
2003.

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

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

(a) The General Assembly finds that:

(1) It is the duty of the General Assembly to provide a suitable and efficient free public education to the students of Arkansas;

(2) Acts 2023, No. 237, the "LEARNS Act", ensured that public school teachers receive a minimum salary of fifty thousand dollars (\$50,000) and that public school teachers with salaries above fifty thousand dollars (\$50,000) receive a raise in the amount of two thousand dollars (\$2,000);

(3) The House Committee on Education and the Senate Committee on Education, meeting jointly, determined through the adequacy review process the foundation funding amounts to meet the obligation of the General Assembly to provide a suitable and efficient free public education to students; and

(4) The 2025-2026 school year foundation funding amount recommended and adopted by the General Assembly includes three hundred twenty dollars (\$320) to pay the minimum employer contribution for participants in the state-sponsored insurance program that public school districts pay and



that ultimately is paid to the Employee Benefits Division.

(b) It is the intent of the General Assembly to:

(1) Provide funding to assist public school districts to meet salary requirements enacted by the LEARNS Act;

(2) Create a more efficient process of funding;

(3) Gradually phase out teacher salary equalization funding to increase the average teacher salary in Arkansas public schools and transfer the funds to be used to assist in meeting the minimum teacher compensation requirements under § 6-17-2403;

(4) Deduct the minimum employer contribution for participants in the state-sponsored insurance program from the 2026-2027 foundation funding amount; and

(5) Direct the Department of Education to pay the employer contribution rate in the amount of three hundred thirty-three dollars (\$333) directly to the Employee Benefits Division on behalf of public school districts.

SECTION 2. Arkansas Code § 6-20-2305(a)(2), concerning per-student foundation funding amounts under the Public School Funding Act of 2003, is amended to read as follows:

(2)(A) For the ~~2023-2024~~ 2025-2026 school year, the foundation funding amount is equal to ~~seven thousand six hundred eighteen dollars (\$7,618)~~ eight thousand one hundred sixty-two dollars (\$8,162), which includes three hundred twenty dollars (\$320) for the minimum employer contribution for participants in the state-sponsored insurance program, multiplied by the school district's average daily membership for the previous school year.

(B) For the ~~2024-2025~~ 2026-2027 school year and each school year thereafter, the foundation funding amount is equal to ~~seven thousand seven hundred seventy-one dollars (\$7,771)~~ eight thousand thirty-seven dollars (\$8,037), which does not include three hundred thirty-three dollars (\$333) for the minimum employer contribution for participants in the state-sponsored insurance program that will be paid directly to the Employee Benefits Division on behalf of public schools, multiplied by the school district's average daily membership for the previous school year.

SECTION 3. Arkansas Code § 6-20-2305(b)(2)(A), concerning alternative learning environment funding under the Public School Funding Act of 2003, is amended to read as follows:

(A)(i) For the ~~2023-2024~~ 2025-2026 school year, alternative learning environment funding shall be ~~four thousand nine hundred eighty seven dollars (\$4,987)~~ five thousand two hundred twelve dollars (\$5,212) multiplied by the number of identified alternative learning environment students enrolled during the previous school year.

(ii) For the ~~2024-2025~~ 2026-2027 school year, alternative learning environment funding shall be ~~five thousand eighty six dollars (\$5,086)~~ five thousand three hundred forty-one dollars (\$5,341) multiplied by the number of identified alternative learning environment students enrolled during the previous school year.

(iii) Funding for students in alternative learning environments shall be distributed based on rules promulgated by the State Board of Education.

SECTION 4. Arkansas Code § 6-20-2305(b)(3), concerning funding for English learners under the Public School Funding Act of 2003, is amended to read as follows:

(3)(A) For the ~~2023-2024~~ 2025-2026 school year, funding for students who are identified as English learners shall be ~~three hundred sixty six dollars (\$366)~~ three hundred seventy-five dollars (\$375) for each identified English learner.

(B) Funding for English learners shall be distributed to public school districts for students who have been identified as not proficient in the English language based upon a state-approved English proficiency assessment instrument.

(C) Funds allocated for English learners to public school districts under this subchapter shall be expended only for eligible activities as identified in current rules promulgated by the State Board of Education and are a supplement to funding for national school lunch students provided in subdivision (b)(4) of this section.

(D) For the ~~2024-2025~~ 2026-2027 school year and each school year thereafter, funding for students who are identified as English learners shall be ~~three hundred sixty six dollars (\$366)~~ three hundred

eighty-four dollars (\$384) for each identified English learner.

SECTION 5. Arkansas Code § 6-20-2305(b)(4)(A), concerning Enhanced Student Achievement funding under the Public School Funding Act of 2003, is amended to read as follows:

(4)(A) Enhanced Student Achievement Funding for each identified national school lunch student shall be as follows:

(i) For a public school district in which ninety percent (90%) or more of the previous school year's enrolled students are national school lunch students, the amount of per-student Enhanced Student Achievement Funding for the ~~2023-2024~~ 2025-2026 school year is ~~one thousand six hundred thirteen dollars (\$1,613)~~ one thousand six hundred fifty-three dollars (\$1,653) and for the ~~2024-2025~~ 2026-2027 school year is ~~one thousand six hundred thirteen dollars (\$1,613)~~ one thousand six hundred ninety-four dollars (\$1,694);

(ii) For a public school district 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 Enhanced Student Achievement Funding for the ~~2023-2024~~ 2025-2026 school year is ~~one thousand seventy-six dollars (\$1,076)~~ one thousand one hundred three dollars (\$1,103) and for the ~~2024-2025~~ 2026-2027 school year is ~~one thousand seventy-six dollars (\$1,076)~~ one thousand one hundred thirty dollars (\$1,130); and

(iii) For a public school district 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 Enhanced Student Achievement Funding for the ~~2023-2024~~ 2025-2026 school year is ~~five hundred thirty-eight dollars (\$538)~~ five hundred fifty-one dollars (\$551) and for the ~~2024-2025~~ 2026-2027 school year is ~~five hundred thirty-eight dollars (\$538)~~ five hundred sixty-five dollars (\$565).

SECTION 6. Arkansas Code § 6-20-2305(b)(5)(C)(i), concerning professional development funding for professional learning communities under the Public School Funding Act of 2003, is amended to read as follows:

(C)(i) For the ~~2023-2024~~ 2025-2026 school year and each school year thereafter, additional funding up to sixteen million five

hundred thousand dollars (\$16,500,000) provided for professional development above the amount in subdivision (b)(5)(A) of this section shall be used by the Division of Elementary and Secondary Education for the development and administration of professional learning communities for the benefit of public school districts.

SECTION 7. Arkansas Code § 6-20-2305(b)(6)(A), concerning the statewide target average annual salary for teachers under the Public School Funding Act of 2003, is amended 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 eight-five dollars (\$185)~~ the amount established in subdivisions (6)(A)(ii)-(iv) of this section multiplied by the average daily membership of the school district for the previous school year.

~~(ii) For the 2023-2024 and 2024-2025 school years~~ 2025-2026 school year, the statewide target average annual salary shall be fifty-one thousand eight hundred twenty-two dollars (\$51,822) and teacher salary equalization funding shall be one hundred eight-five dollars (\$185).

~~(iii) The House Committee on Education and the Senate Committee on Education shall set jointly the statewide target average annual salary for the 2025-2026 and 2026-2027 school years, and each biennium thereafter, as part of the adequacy review process required under § 10-3-2102~~ For the 2026-2027 school year, the statewide average annual salary shall be fifty-one thousand eight hundred twenty-two dollars (\$51,822) and teacher salary equalization funding shall be one hundred dollars (\$100).

~~(iv) For the 2027-2028 school year, the statewide~~ average annual salary shall be fifty-one thousand eight hundred twenty-two dollars (\$51,822) and teacher salary equalization funding shall be fifty dollars (\$50).

/s/J. English