

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

HOUSE BILL 1539

5 By: Representatives A. Collins, D. Garner, Gonzales Worthen, McCullough, Springer
6
7

For An Act To Be Entitled

8
9 AN ACT TO AMEND THE PUBLIC SCHOOL FUNDING ACT OF
10 2003; TO ADD AN ADDITIONAL EDUCATION CATEGORY OF
11 FUNDING FOR SPECIAL EDUCATION; AND FOR OTHER
12 PURPOSES.
13
14

Subtitle

15
16 TO AMEND THE PUBLIC SCHOOL FUNDING ACT
17 OF 2003; AND TO ADD AN ADDITIONAL
18 EDUCATION CATEGORY OF FUNDING FOR
19 SPECIAL EDUCATION.
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. DO NOT CODIFY. Legislative findings and intent.
24 The General Assembly finds that:

25 (1) Under the Arkansas Constitution, the General Assembly must
26 provide funding for an adequate and equitable education for every child in
27 the State of Arkansas;

28 (2) To provide an adequate and equitable education for every
29 child in the state, the General Assembly should adopt the recommendations
30 presented by the House Committee on Education and Senate Committee on
31 Education in the 2024 Educational Adequacy Study final report for funding
32 public schools in the upcoming biennium, except in the areas of special
33 education, staff pay, and mental health;

34 (3) Special education funding should be increased and moved from
35 foundation funding to categorical funding;

36 (4) Special education is underfunded by the state according to



1 the 2024 Educational Adequacy Study, with seventy-two percent (72%) of
2 superintendents reporting that their school districts are in moderate or
3 extreme need of more funding for special education teachers;

4 (5) Special education funds are currently allocated by the
5 number of students in a school district rather than the number of students
6 with special needs in a school district, leading to a mismatch of funds;

7 (6) Special education funds are part of foundation funding,
8 meaning they do not currently have to be spent on special education, but if
9 they were categorical funds, they would have to be spent on only special
10 education;

11 (7) Public school classified staff members should get a real
12 raise;

13 (8) Public school classified staff members are vital members of
14 a learning community and are often underpaid;

15 (9) Inadequate pay for public school classified staff members
16 negatively impacts a public school district's ability to recruit and retain
17 quality public school classified staff members, which negatively impacts the
18 student experience, school morale, and educational outcomes;

19 (10)(A) In 2023, the General Assembly approved foundation
20 funding, including what the biennial matrix called a "\$2 salary increase",
21 for public school classified staff members.

22 (B) Despite approving a salary increase, there was enough
23 money allocated for only five and four-tenths (5.4) full-time equivalent
24 classified staff members per five hundred (500) students, whereas there are
25 actually twenty-nine and eight-tenths (29.8) full-time equivalent public
26 school classified staff members per five hundred (500) students in Arkansas
27 public schools, meaning that the "\$2 salary increase" was only a 30 cents
28 (30¢) per hour raise when spread among all full-time public school equivalent
29 classified staff members;

30 (11) The state should not only deliver on its previous promise
31 of funding a two dollars (\$2.00) per hour raise for public school classified
32 staff members, but should catch up with inflation and deliver a four dollars
33 (\$4.00) per hour raise for public school classified staff members, ensuring
34 that the funding is there to pay every public school classified staff member
35 at least fifteen dollars (\$15.00) per hour;

36 (12) Funding should be added for more counselors and social

1 workers in public schools;

2 (13) Mental health is a statewide crisis, especially among
3 youth;

4 (14) Public school counselors perform many functions that
5 directly and indirectly impact youth mental health, but due to limited public
6 school district funds and a statewide counselor shortage, public school
7 counselors are often overworked and asked to perform functions outside their
8 intended responsibilities; and

9 (15) The state should provide sufficient funding for either two
10 (2) counselors per five hundred (500) students or one (1) counselor and one
11 (1) social worker per five hundred (500) students to improve counselor
12 working conditions and student outcomes.

13
14 SECTION 2. Arkansas Code § 6-20-2305(a)(2), concerning per-student
15 foundation funding amounts under the Public School Funding Act of 2003, is
16 amended to read as follows:

17 (2)(A) For the ~~2023-2024~~ 2025-2026 school year, the foundation
18 funding amount is equal to ~~seven thousand six hundred eighteen dollars~~
19 ~~(\$7,618)~~ eight thousand one hundred sixty-five dollars (\$8,165) multiplied by
20 the school district's average daily membership for the previous school year.

21 (B) For the ~~2024-2025~~ 2026-2027 school year and each
22 school year thereafter, the foundation funding amount is equal to ~~seven~~
23 ~~thousand seven hundred seventy one dollars (\$7,771)~~ eight thousand three
24 hundred sixty-one dollars (\$8,361) multiplied by the school district's
25 average daily membership for the previous school year.

26
27 SECTION 3. Arkansas Code § 6-20-2305(b)(2)(A), concernign alternative
28 learning environment funding under the Public School Funding Act of 2003, is
29 amended to read as follows:

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

35 (ii) For the ~~2024-2025~~ 2026-2027 school year,
36 alternative learning environment funding shall be ~~five thousand eighty six~~

1 ~~dollars (\$5,086)~~ five thousand three hundred forty-one dollars (\$5,341)
2 multiplied by the number of identified alternative learning environment
3 students enrolled during the previous school year.

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

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

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

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

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

24 (D) For the ~~2024-2025~~ 2026-2027 school year and each
25 school year thereafter, funding for students who are identified as English
26 learners shall be ~~three hundred sixty-six dollars (\$366)~~ three hundred eight-
27 four dollars (\$384) for each identified English learner.

28
29 SECTION 5. Arkansas Code § 6-20-2305(b)(4)(A), concerning Enhanced
30 Student Achievement Funding under the Public School Funding Act of 2003, is
31 amended to read as follows:

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

34 (i) For a public school district in which ninety
35 percent (90%) or more of the previous school year's enrolled students are
36 national school lunch students, the amount of per-student Enhanced Student

1 Achievement Funding for the ~~2023-2024~~ 2025-2026 school year is ~~one thousand~~
 2 ~~six hundred thirteen dollars (\$1,613)~~ one thousand six hundred fifty-three
 3 dollars (\$1,653) and for the ~~2024-2025~~ 2026-2027 school year is ~~one thousand~~
 4 ~~six hundred thirteen dollars (\$1,613)~~ one thousand six hundred ninety-four
 5 dollars (\$1,694);

6 (ii) For a public school district in which at least
 7 seventy percent (70%) but less than ninety percent (90%) of the previous
 8 school year's enrolled students are national school lunch students, the
 9 amount of per-student Enhanced Student Achievement Funding for the ~~2023-2024~~
 10 2025-2026 school year is ~~one thousand seventy-six dollars (\$1,076)~~ one
 11 thousand one hundred and three (\$1,103) and for the ~~2024-2025~~ 2026-2027
 12 school year is ~~one thousand seventy-six dollars (\$1,076)~~ one thousand one
 13 hundred thirty dollars (\$1,130); and

14 (iii) For a public school district in which less than
 15 seventy percent (70%) of the previous school year's enrolled students are
 16 national school lunch students, the amount of per-student Enhanced Student
 17 Achievement Funding for the ~~2023-2024~~ 2025-2026 school year is ~~five hundred~~
 18 ~~thirty-eight dollars (\$538)~~ five hundred fifty-one dollars (\$551) and for the
 19 ~~2024-2025~~ 2026-2027 school year is ~~five hundred thirty-eight dollars (\$538)~~
 20 five hundred sixty-five dollars (\$565).

21
 22 SECTION 6. Arkansas Code § 6-20-2305(b)(5)(C)(i), concerning
 23 professional development funding for professional learning communities under
 24 the Public School Funding Act of 2003, is amended to read as follows:

25 (C)(i) For the ~~2023-2024~~ 2025-2026 school year and each
 26 school year thereafter, additional funding up to sixteen million five hundred
 27 thousand dollars (\$16,500,000) provided for professional development above
 28 the amount in subdivision (b)(5)(A) of this section shall be used by the
 29 Division of Elementary and Secondary Education for the development and
 30 administration of professional learning communities for the benefit of public
 31 school districts.

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 33 SECTION 7. Arkansas Code § 6-20-2305(b)(6)(A), concerning the
 34 statewide target average annual salary for teachers under the Public School
 35 Funding Act of 2003, is amended to read as follows:

36 (6)(A)(i) Beginning with the 2021-2022 school year, for school

1 districts identified by the Division of Elementary and Secondary Education as
 2 having an average annual teacher salary below the statewide target average
 3 annual salary, teacher salary equalization funding shall be equal to one
 4 hundred eighty-five dollars (\$185) multiplied by the average daily membership
 5 of the school district for the previous school year.

6 (ii) For the ~~2023-2024~~ 2025-2026 and ~~2024-2025~~ 2026-
 7 2027 school years, the statewide target average annual salary shall be fifty-
 8 one thousand eight hundred twenty-two dollars (\$51,822).

9 (iii) The House Committee on Education and the Senate
 10 Committee on Education shall set jointly the statewide target average annual
 11 salary for the ~~2025-2026~~ 2027-2028 and ~~2026-2027~~ 2028-2029 school years, and
 12 each biennium thereafter, as part of the adequacy review process required
 13 under § 10-3-2102.

14
 15 SECTION 8. Arkansas Code § 6-20-2305(b), concerning education
 16 categories of funding in addition to state foundation funding aid, is amended
 17 to add an additional subdivision to read as follows:

18 (7)(A) For the 2025-2026 school year and each school year
 19 thereafter, special education funding shall be three thousand eight hundred
 20 sixty-two dollars (\$3,862) multiplied by the number of students who receive
 21 special education and related services required by an individualized
 22 education plan.

23 (B) Funding for students who receive special education and
 24 related services required by an individualized education plan under
 25 subdivision (b)(7)(A) of this section shall be distributed based on rules
 26 promulgated by the state board.

27 (C) Funding for students who receive special education and
 28 related services required by an individualized education plan shall not be
 29 incorporated into the state foundation funding aid amount established under
 30 subsection (a) of this section.

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