

1 State of Arkansas  
2 85th General Assembly  
3 First Extraordinary Session, 2006  
4

*As Engrossed: H4/4/06*  
**A Bill**

Call Item 19

HOUSE BILL 1023

5 By: Joint Budget Committee  
6  
7

**For An Act To Be Entitled**

9 AN ACT TO MAKE AN APPROPRIATION FOR GRANTS AND  
10 AIDS AND SPECIAL PROGRAMS FOR THE DEPARTMENT OF  
11 EDUCATION WHICH SHALL BE SUPPLEMENTAL AND IN  
12 ADDITION TO THOSE FUNDS APPROPRIATED BY ACTS  
13 2126, 2131 AND 2138 OF 2005; AND FOR OTHER  
14 PURPOSES.

**Subtitle**

15  
16  
17  
18 AN ACT FOR THE DEPARTMENT OF EDUCATION  
19 - GRANTS AND AIDS AND SPECIAL PROGRAMS  
20 SUPPLEMENTAL APPROPRIATION.  
21  
22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
24

25 SECTION 1. APPROPRIATION. There is hereby appropriated, to the Department  
26 of Education, to be payable from the Department of Education Public School  
27 Fund Account, for grants and aids to local school districts and special  
28 programs of the Department of Education which shall be supplemental and in  
29 addition to those funds appropriated in Section 1 of Act 2131 of 2005, the  
30 following:  
31

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) STATE FOUNDATION FUNDING	\$ 57,800,000	\$ 74,725,000
(02) DECLINING ENROLLMENT DISTRICTS	0	11,600,000
TOTAL AMOUNT APPROPRIATED	<u>\$ 57,800,000</u>	<u>\$ 86,325,000</u>



SECTION 2. APPROPRIATION - SPECIAL NEEDS ISOLATED FUNDING. There is hereby appropriated, to the Department of Education, to be payable from the Department of Education Public School Fund Account, for special needs isolated funding of the Department of Education which shall be supplemental and in addition to those funds appropriated in Section 7 of Act 2131 of 2005, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) SPECIAL NEEDS ISOLATED FUNDING	\$ 0	\$ 3,000,000

SECTION 3. REGULAR SALARIES - ENHANCED PROFESSIONAL DEVELOPMENT PROGRAMS. There is hereby established for the Department of Education - Enhanced Professional Development Programs the following maximum number of regular employees which shall be supplemental and in addition to those positions authorized in Section 1 of Act 2126 of 2005 and whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act (Arkansas Code §§21-5-201 et seq.), or its successor, and all laws amendatory thereto. Provided, however, that any position to which a specific maximum annual salary is set out herein in dollars, shall be exempt from the provisions of said Uniform Classification and Compensation Act. All persons occupying positions authorized herein are hereby governed by the provisions of the Regular Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101), or its successor.

Item	Class	Title	Maximum No. of Employees	Maximum Annual Salary Rate	
				2005-2006	2006-2007
(1)	938Z	ED ASSOC DIR PROF DEVELOPMENT	1	GRADE 26	
(2)	R290	PUBLIC SCHOOL PROGRAM ADVISOR	1	GRADE 21	
MAX. NO. OF EMPLOYEES			2		

SECTION 4. APPROPRIATION - ENHANCED PROFESSIONAL DEVELOPMENT PROGRAMS. There is hereby appropriated, to the Department of Education, to be payable

1 from the Department of Education Fund Account, for personal services and  
2 operating expenses of the Department of Education - Enhanced Professional  
3 Development Programs which shall be supplemental and in addition to those  
4 funds appropriated in Section 3 of Act 2126 of 2005, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 22,990	\$ 142,076
(02) PERSONAL SERV MATCHING	6,257	38,439
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	16,000	0
(B) CONF. & TRAVEL	0	0
(C) PROF. FEES	250,000	0
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	<u>0</u>	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 295,247</u>	<u>\$ 180,515</u>

17  
18 SECTION 5. APPROPRIATION - FINANCIAL REPORTING. There is hereby  
19 appropriated, to the Department of Education, to be payable from the  
20 Department of Education Fund Account, for the development and associated  
21 expenses of uniform financial reporting requirements of the Department of  
22 Education which shall be supplemental and in addition to those funds  
23 appropriated in Act 2126 of 2005, for the biennial period ending June 30,  
24 2007 the sum of.....\$500,000.

25  
26 SECTION 6. APPROPRIATION - PROGRAMS OF THE DIVISION OF PUBLIC SCHOOL  
27 ACADEMIC FACILITIES AND TRANSPORTATION. There is hereby appropriated, to the  
28 Department of Education, to be payable from the Educational Facilities  
29 Partnership Fund Account, for grants and aids and special programs providing  
30 academic school facility and transportation assistance to public school  
31 districts of the Department of Education - Division of Public School Academic  
32 Facilities and Transportation which shall be supplemental and in addition to  
33 those funds appropriated in Section 4 of Act 2138 of 2005, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007

1	(01) ACADEMIC FACILITIES CATASTROPHIC	\$	0	\$	0
2	(02) ACADEMIC FACILITIES EXTRAORDINARY				
3	CIRCUMSTANCES PROGRAM		0		0
4	(03) ACADEMIC FACILITIES IMMEDIATE REPAIR		0		0
5	(04) TRANSITIONAL ACADEMIC FACILITIES		25,000,000		0
6	(05) ACADEMIC FACILITIES PARTNERSHIP		<u>25,000,000</u>		<u>0</u>
7	TOTAL AMOUNT APPROPRIATED	\$	<u>50,000,000</u>	\$	<u>0</u>

8

9 SECTION 7. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER

11 AUTHORITY – DIVISION OF PUBLIC SCHOOL ACADEMIC FACILITIES AND TRANSPORTATION.

12 The Director of the Department of Education – Division of Public School

13 Academic Facilities and Transportation, with the approval of the Chief Fiscal

14 Officer of the State and after approval by the Arkansas Legislative Council

15 or Joint Budget Committee, is hereby authorized to request necessary

16 appropriation transfers and any other budget related adjustments necessary

17 for the appropriations authorized in Section 6 of this Act. Furthermore, it

18 is the intent of the General Assembly that the Department of Education -

19 Division of Public School Academic Facilities and Transportation be able to

20 make use of additional contractual services as necessary and that transfers

21 between line items and among appropriations are anticipated to accomplish

22 those purposes. Determining the maximum number of employees and the maximum

23 amount of appropriation and general revenue funding for a state agency each

24 fiscal year is the prerogative of the General Assembly. This is usually

25 accomplished by delineating such maximums in the appropriation act(s) for a

26 state agency and the general revenue allocations authorized for each fund and

27 fund account by amendment to the Revenue Stabilization law. Further, the

28 General Assembly has determined that the Department of Education – Division

29 of Public School Academic Facilities and Transportation may operate more

30 efficiently if some flexibility is provided to the Director of the Department

31 of Education – Division of Public School Academic Facilities and

32 Transportation authorizing broad powers under the Transfer Authority

33 provision herein. Therefore, it is both necessary and appropriate that the

34 General Assembly maintain oversight by requiring prior approval of the

35 Legislative Council or Joint Budget Committee as provided by this section.

36 The requirement of approval by the Legislative Council or Joint Budget

1 Committee is not a severable part of this section. If the requirement of  
2 approval by the Legislative Council or Joint Budget Committee is ruled  
3 unconstitutional by a court of competent jurisdiction, this entire section is  
4 void.

5 The provisions of this section shall be in effect only from July 1,  
6 2005 through June 30, 2007.

7  
8 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
9 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY  
10 FORWARD. The unexpended balance of the appropriation provided for the  
11 Academic Facilities Catastrophic, Academic Facilities Extraordinary  
12 Circumstances Program, Academic Facilities Immediate Repair, Transitional  
13 Academic Facilities and Academic Facilities Partnership in this act which  
14 remain on June 30, 2006, shall be carried forward and made available for the  
15 same purpose for the fiscal year ending June 30, 2007.

16 The provisions of this section shall be in effect only from July 1,  
17 2005 through June 30, 2007.

18  
19 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
20 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY  
21 FORWARD. The unexpended balance of the appropriations provided in Section 4  
22 of this Act for Enhanced Professional Development Programs which remain on  
23 June 30, 2006, shall be carried forward and made available for the same  
24 purpose for the fiscal year ending June 30, 2007.

25 The provisions of this section shall be in effect only from July 1,  
26 2005 through June 30, 2007.

27  
28 SECTION 10. SPECIAL LANGUAGE. Arkansas Code 19-5-1227 (d) concerning the  
29 Educational Adequacy Fund is amended to read as follows:

30  
31 (d) In the event the Chief Fiscal Officer of the State determines that  
32 the transfers from the Educational Adequacy Fund, when added to the other  
33 resources available to the Department of Education Public School Fund Account  
34 of the Public School Fund, are not sufficient to meet the state's financial  
35 obligation to provide an adequate educational system as authorized by law,  
36 the additional amount required shall be transferred from the other funds and

1 fund accounts, except the Educational Facilities Partnership Fund Account,  
2 within §§ 19-5-402(a) and 19-5-404(a) based upon the proportion that each of  
3 the remaining fund and fund accounts, excluding the Educational Facilities  
4 Partnership Fund Account, bears to the total of the remaining funds and fund  
5 accounts in §§ 19-5-402(a) and 19-5-404(a).

6  
7 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ACADEMIC  
9 FACILITIES FUND TRANSFERS AUTHORIZED.

10 a) On the effective date of this act, the Chief Fiscal Officer of the  
11 State shall set aside the sum of fifty million dollars (\$50,000,000) of the  
12 unobligated balances in the General Improvement Fund. The Chief Fiscal  
13 Officer of the State is authorized to transfer, from time to time, from the  
14 fifty million dollars (\$50,000,000) set aside in the General Improvement Fund  
15 as authorized by this section to the Educational Facilities Partnership Fund  
16 Account in amounts as certified by the Director of the Division of Public  
17 School Academic Facilities and Transportation and as recommended by the  
18 Commission for Public School Academic Facilities and Transportation to and  
19 approved by the Chief Fiscal Officer of the State, and only upon prior  
20 approval of the Arkansas Legislative Council or Joint Budget Committee. In no  
21 event shall the total transfers authorized by this section from the General  
22 Improvement Fund to the Educational Facilities Partnership Fund Account  
23 exceed fifty million dollars (\$50,000,000). The amounts transferred shall be  
24 made available by the Department of Education - Division of Public School  
25 Academic Facilities and Transportation during the 2005-07 biennium to provide  
26 additional funding that may be necessary for the Academic Facilities  
27 Immediate Repair, Transitional Academic Facilities, Academic Facilities  
28 Partnership, Academic Facilities Catastrophic, and Academic Facilities  
29 Extraordinary Circumstances Program appropriations authorized in this act.

30 (b) The Chief Fiscal Officer of the State shall not consider the  
31 approval of any transfers, as authorized in this section, from the  
32 unobligated balances in the General Improvement Fund to the Educational  
33 Facilities Partnership Fund Account until the balance of monies remaining in  
34 the Educational Facilities Partnership Fund Account falls below an amount  
35 that is twenty percent (20%) of one hundred six million four hundred two  
36 thousand nine hundred forty-eight dollars (\$106,402,948) which is twenty one

1 million two hundred eighty thousand five hundred ninety dollars  
2 (\$21,280,590).

3 (c) The amounts transferred under this section shall be made only for  
4 the purpose of providing state financial participation for the Academic  
5 Facilities Immediate Repair Program established in ACA 6-20-2504, the  
6 Transitional Academic Facilities Program established in ACA 6-20-2506, the  
7 Academic Facilities Partnership Program established in ACA 6-20-2507,  
8 Academic Facilities Catastrophic, and Academic Facilities Extraordinary  
9 Circumstances Program.

10 (d) Determining the maximum number of employees and the maximum amount  
11 of appropriation and general revenue funding for a state agency each fiscal  
12 year is the prerogative of the General Assembly. This is usually accomplished  
13 by delineating such maximums in the appropriation act(s) for a state agency  
14 and the general revenue allocations authorized for each fund and fund account  
15 by amendment to the Revenue Stabilization law. Further, the General Assembly  
16 has determined that the Department of Education – Division of Public School  
17 Academic Facilities and Transportation may operate more efficiently under the  
18 transfer authority provisions herein. Therefore, it is both necessary and  
19 appropriate that the General Assembly maintain oversight by requiring prior  
20 approval of the Legislative Council or Joint Budget Committee as provided by  
21 this section. The requirement of approval by the Legislative Council or Joint  
22 Budget Committee is not a severable part of this section. If the requirement  
23 of approval by the Legislative Council or Joint Budget Committee is ruled  
24 unconstitutional by a court of competent jurisdiction, this entire section is  
25 void.

26 The provisions of this section shall be in effect only from July 1,  
27 2005 through June 30, 2007.

28  
29 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND  
31 TRANSFER - PUBLIC SCHOOL FACILITIES FUND. On the effective date of this Act,  
32 the Chief Fiscal Officer of the State shall transfer on his books and those  
33 of the State Treasurer and the State Auditor the balance in the Public School  
34 Facilities Fund to the Educational Facilities Partnership Fund Account.

35 The provisions of this section shall be in effect only from July 1,  
36 2005 through June 30, 2007.

1  
2 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
3 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE  
4 FOUNDATION, SPECIAL NEEDS ISOLATED AND DECLINING ENROLLMENT DISTRICTS FUNDING  
5 TRANSFERS AUTHORIZED.

6 (a) On the effective date of this act the Chief Fiscal Officer of the  
7 State shall transfer from the unobligated balances in the General Improvement  
8 Fund to the Department of Education Public School Fund Account the sum of  
9 twelve million seven hundred fifty-six thousand one hundred ninety-nine  
10 dollars (\$12,756,199). The amount transferred shall be made available by the  
11 Department of Education during the 2005-06 fiscal year to provide additional  
12 funding that may be necessary for a cost of living adjustment, adequacy  
13 programs, and other programs authorized by the 85th General Assembly meeting  
14 in First Extraordinary Session. On June 30, 2006, the Chief Fiscal Officer of  
15 the State shall determine the actual amount of total net collections  
16 deposited into the Educational Adequacy Fund during the 2005-06 fiscal year.  
17 In the event total net collections deposited into the Educational Adequacy  
18 Fund exceed four hundred eighteen million six hundred thousand dollars  
19 (\$418,600,000), then the Chief Fiscal Officer of the State on June 30, 2006,  
20 shall transfer from the Department of Education Public School Fund Account to  
21 the General Improvement Fund the amount represented by the difference between  
22 the actual amount of net collections and four hundred eighteen million six  
23 hundred thousand dollars (\$418,600,000), but not to exceed twelve million  
24 seven hundred fifty-six thousand one hundred ninety-nine dollars  
25 (\$12,756,199). If on June 30, 2006 the total net collections deposited into  
26 the Educational Adequacy Fund do not exceed four hundred eighteen million six  
27 hundred thousand dollars (\$418,600,000) then the Chief Fiscal Officer of the  
28 State shall not make any transfers from the Department of Education Public  
29 School Fund Account to the General Improvement Fund.

30 (b) On June 30, 2006 the Chief Fiscal Officer of the State shall  
31 transfer on his books and those of the State Treasurer and the State Auditor,  
32 from the General Revenue Allotment Reserve Fund to the General Improvement  
33 Fund, from the first monies attributable to general revenue received over and  
34 above the amount required of the Revenue Stabilization Law during the 2005-06  
35 fiscal year as set out in Arkansas Code 19-5-402, an amount equal to the  
36 transfer to the Department of Education Public School Fund Account from the



1 General Improvement Fund less the amount of any funds transferred from the  
2 Department of Education Public School Fund Account to the General Improvement  
3 Fund, as authorized in subsection (a) of this section.

4 (c) On the effective date of this act, the Chief Fiscal Officer of the  
5 State shall also set aside the sum of fifty-six million one hundred twenty-  
6 five thousand dollars (\$56,125,000) of the unobligated balances in the  
7 General Improvement Fund. On July 1, 2006 the Chief Fiscal Officer of the  
8 State shall transfer the fifty-six million one hundred twenty-five thousand  
9 dollars (\$56,125,000) set aside from the unobligated balances in the General  
10 Improvement Fund to the Department of Education Public School Fund Account.  
11 The amount transferred shall be made available by the Department of Education  
12 during the 2006-07 fiscal year to provide additional funding for a cost of  
13 living adjustment, adequacy programs, and other programs authorized by the  
14 85th General Assembly meeting in First Extraordinary Session. On June 30,  
15 2007, the Chief Fiscal Officer of the State shall determine the actual amount  
16 of total net collections deposited into the Educational Adequacy Fund during  
17 the 2006-07 fiscal year. In the event total net collections deposited into  
18 the Educational Adequacy Fund exceed four hundred twenty-eight million  
19 dollars (\$428,000,000), then the Chief Fiscal Officer of the State on June  
20 30, 2007, shall transfer from the Department of Education Public School Fund  
21 Account to the General Improvement Fund the amount represented by the  
22 difference between the actual amount of net collections and four hundred  
23 twenty-eight million dollars (\$428,000,000), but not to exceed fifty-six  
24 million one hundred twenty-five thousand dollars (\$56,125,000). If on June  
25 30, 2007 the total net collections deposited into the Educational Adequacy  
26 Fund do not exceed four hundred twenty-eight million dollars (\$428,000,000)  
27 then the Chief Fiscal Officer of the State shall not make any transfers from  
28 the Department of Education Public School Fund Account to the General  
29 Improvement Fund.

30 (d) On June 30, 2007 the Chief Fiscal Officer of the State shall  
31 transfer on his books and those of the State Treasurer and the State Auditor,  
32 from the General Revenue Allotment Reserve Fund to the General Improvement  
33 Fund, from the first monies attributable to general revenue received over and  
34 above the amount required of the Revenue Stabilization Law during the 2006-07  
35 fiscal year as set out in Arkansas Code 19-5-404, an amount equal to the  
36 transfer to the Department of Education Public School Fund Account from the

1 General Improvement Fund less the amount of any funds transferred from the  
2 Department of Education Public School Fund Account to the General Improvement  
3 Fund, as authorized in subsection (c) of this section.

4 The provisions of this section shall be in effect only from July 1,  
5 2005 through June 30, 2007.

6  
7 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

9 PROFESSIONAL DEVELOPMENT AND FINANCIAL REPORTING FUNDING TRANSFERS  
10 AUTHORIZED.

11 (a) On the effective date of this act, or as soon as possible  
12 thereafter, the Chief Fiscal Officer of the State shall transfer, from the  
13 unobligated balances in the General Improvement Fund to the Department of  
14 Education Fund Account the sum of four hundred seventy-five thousand seven  
15 hundred sixty-two dollars (\$475,762) to provide funding for the Enhanced  
16 Professional Development Programs appropriation authorized in this act but,  
17 only upon the enactment of a separate bill passed by the 85th General  
18 Assembly meeting in 1st Extraordinary Session providing for the development  
19 of technology-based or other enhanced professional development opportunities  
20 for the Department of Education.

21 (b) On the effective date of this act, or as soon as possible  
22 thereafter, the Chief Fiscal Officer of the State shall transfer, from the  
23 unobligated balances in the General Improvement Fund to the Department of  
24 Education Fund Account the sum of five hundred thousand dollars (\$500,000) to  
25 provide funding for the development of uniform financial reporting  
26 requirements and associated expenses appropriation authorized in this act  
27 but, only upon the enactment of a separate bill passed by the 85th General  
28 Assembly meeting in 1st Extraordinary Session providing for the development  
29 of uniform reporting requirements for school district fund balances.

30 (c) On June 30, 2006 the Chief Fiscal Officer of the State shall  
31 transfer on his books and those of the State Treasurer and the State Auditor,  
32 from the General Revenue Allotment Reserve Fund from the first monies due to  
33 general revenue received over and above the amount required of the Revenue  
34 Stabilization Law during the 2005-06 fiscal year as set out in Arkansas Code  
35 19-5-402, an amount equal to the actual amount of funds transferred as  
36 authorized in subsections (a) and (b) of this section or so much thereof as

1 is available, to the General Improvement Fund.

2 The provisions of this section shall be in effect only from July 1,  
 3 2005 through June 30, 2007.

4  
 5 SECTION 15. REGULAR SALARIES – DIVISION OF PUBLIC SCHOOL ACADEMIC  
 6 FACILITIES AND TRANSPORTATION - OPERATIONS. There is hereby established for  
 7 the Department of Education – Division of Public School Academic Facilities  
 8 and Transportation the following maximum number of regular employees which  
 9 shall be supplemental and in addition to those positions authorized in  
 10 Section 1 of Act 2138 of 2005 and whose salaries shall be governed by the  
 11 provisions of the Uniform Classification and Compensation Act (Arkansas Code  
 12 §§21-5-201 et seq.), or its successor, and all laws amendatory thereto.  
 13 Provided, however, that any position to which a specific maximum annual  
 14 salary is set out herein in dollars, shall be exempt from the provisions of  
 15 said Uniform Classification and Compensation Act. All persons occupying  
 16 positions authorized herein are hereby governed by the provisions of the  
 17 Regular Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101),  
 18 or its successor.

19  
 20

			Maximum Annual		
			Maximum	Salary Rate	
			No. of	Fiscal Years	
Item	Class	Title	Employees	2005-2006	2006-2007
24	(1)	930Z SENIOR TRANSPORTATION MANAGER	<u>1</u>	GRADE 26	
25		MAX. NO. OF EMPLOYEES	1		

26

27 SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 28 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. Section 26  
 29 of uncodified Act 2126 of the 85th General Assembly Regular Session 2005,  
 30 concerning a Feasibility Study, is amended to read as follows:

31  
 32 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
 34 FEASIBILITY STUDY. The Department of Education shall authorize and fund a  
 35 feasibility study ~~costing up to two hundred fifty thousand dollars~~  
 36 ~~(\$250,000). The purpose of the study shall be to evaluate and determine~~

1 whether the Pulaski County Special School District should continue in  
2 existence by specifically addressing and evaluating the following: 1) the  
3 elimination of the Pulaski County Special School District and redrawing of  
4 school district boundaries in Pulaski County to form one school district  
5 north of the Arkansas River and one district south of the Arkansas River; 2)  
6 the elimination of the Pulaski County Special School District and redrawing  
7 of school district boundaries in Pulaski County to form three districts  
8 including a Little Rock District south of the Arkansas River, a North Little  
9 Rock District north of the Arkansas River and a Jacksonville School District  
10 north of the Arkansas River; 3) whether the elimination of the Pulaski County  
11 Special School District under either option would further desegregation  
12 efforts of the districts and help all districts in gaining unitary status and  
13 in ending the desegregation case; and, 4) to study and propose a plan to  
14 pursue the end of desegregation litigation in Pulaski County.

15 A contract shall be signed no later than October 31, 2005 and the  
16 feasibility study completed no later than June 30, 2006.

17 The provisions of this section shall be in effect only from July 1, 2005  
18 through June 30, 2007.

19  
20 *SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS*  
21 *CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW.*

22 *DECLINING DISTRICTS AND SPECIAL NEEDS ISOLATED - FUNDING RESTRICTIONS.*

23 *(a) If the amount necessary to provide declining enrollment funding under*  
24 *§ 6-20-2305(a)(3)(A) as created in House Bill 1026 of the First Extraordinary*  
25 *Session of 2006 is greater than ten million dollars (\$10,000,000) as*  
26 *determined by the Department of Education and certified to the Chief Fiscal*  
27 *Officer of the State, then funds may be transferred from the Educational*  
28 *Adequacy Fund unless additional funds are available for transfer from funds*  
29 *allocated for school districts receiving special needs isolated funding under*  
30 *§ 6-20-604.*

31 *(b) If the amount necessary to provide special needs isolated funding*  
32 *under § 6-20-604 is less than three million dollars (\$3,000,000) as*  
33 *determined by the Department of Education, then funds will be transferred to*  
34 *funds allocated for declining enrollment funding under § 6-20-2305(a)(3)(A)*  
35 *as created in House Bill 1026 of the First Extraordinary Session of 2006.*

36 *(c) If the amount necessary to provide funding under § 6-20-2305(a)(3)(A)*

1 as created in House Bill 1026 of the First Extraordinary Session of 2006 is  
2 less than the total funds appropriated for declining enrollment funding under  
3 § 6-20-2305(a)(3)(A) as created in House Bill 1026 of the First Extraordinary  
4 Session of 2006 or transferred under subsection (b) of this section, any  
5 remaining funds shall be distributed under § 6-20-2305(a)(3)(B) as created in  
6 House Bill 1026 of the First Extraordinary Session of 2006.

7 (d) The General Assembly finds that ten million dollars (\$10,000,000) is  
8 sufficient to provide adequate funding for school districts that experience a  
9 decline in enrollment and three million dollars (\$3,000,000) plus existing  
10 available funds are sufficient to provide adequate funding for school  
11 districts that qualify as special isolated needs districts under ACA § 6-20-  
12 604. If the total amount of funding is not sufficient to fully fund the  
13 declining enrollment appropriation, the General Assembly has provided  
14 transfer authority to allow the transfer of funds between educational  
15 programs and the Educational Adequacy Fund. The General Assembly further  
16 finds that school districts that receive special needs isolated funding under  
17 ACA § 6-20-604 would not need full declining enrollment funding because the  
18 special needs isolated funding already supplements based on school size among  
19 other factors. Therefore, the special needs isolated school districts may  
20 receive additional funding only if funds are available.

21  
22 SECTION 18. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
23 authorized by this act shall be limited to the appropriation for such agency  
24 and funds made available by law for the support of such appropriations; and  
25 the restrictions of the State Procurement Law, the General Accounting and  
26 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
27 Procedures and Restrictions Act, or their successors, and other fiscal  
28 control laws of this State, where applicable, and regulations promulgated by  
29 the Department of Finance and Administration, as authorized by law, shall be  
30 strictly complied with in disbursement of said funds.

31  
32 SECTION 19. LEGISLATIVE INTENT. It is the intent of the General Assembly  
33 that any funds disbursed under the authority of the appropriations contained  
34 in this act shall be in compliance with the stated reasons for which this act  
35 was adopted, as evidenced by the Agency Requests, Executive Recommendations  
36 and Legislative Recommendations contained in the budget manuals prepared by

1 the Department of Finance and Administration, letters, or summarized oral  
2 testimony in the official minutes of the Arkansas Legislative Council or  
3 Joint Budget Committee which relate to its passage and adoption.  
4

5 SECTION 20. EMERGENCY CLAUSE. It is found and determined by the General  
6 Assembly of the State of Arkansas that the Arkansas Supreme Court found that  
7 the public school funding system continues to be inadequate and the public  
8 schools are operating under a constitutional infirmity that must be corrected  
9 immediately; that to correct the constitutional infirmity and to provide  
10 adequate funding for public education the amount of foundation funding for  
11 school districts shall be revised; that school districts require additional  
12 resources for the repair, improvement and replacement of academic facilities;  
13 that legislative correction is immediately necessary in order to allow school  
14 districts to provide an adequate opportunity for an adequate education to  
15 every public school student in the state. Therefore, an emergency is  
16 declared to exist and this act being necessary for the public peace, health  
17 and safety shall become effective on:

18 (1) The date of its approval by the Governor;

19 (2) If the bill is neither approved nor vetoed by the Governor, the  
20 expiration of the period of time during which the Governor may veto the bill;  
21 or

22 (3) If the bill is vetoed by the Governor and the veto is overridden,  
23 the date the last house overrides the veto.  
24

25 */s/ Joint Budget Committee*  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36