

A Bill

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5 By: Joint Budget Committee

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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.

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Subtitle

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

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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:

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ITEM	FISCAL YEARS	
	2005-2006	2006-2007
33 NO.		
34 (01) STATE FOUNDATION FUNDING	\$ 57,800,000	\$ 74,725,000
35 (02) DECLINING ENROLLMENT DISTRICTS	<u>0</u>	<u>11,600,000</u>
36 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 Fiscal Years	
				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>

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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.

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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>

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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.

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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.

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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).

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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.

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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.

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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.

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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.

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

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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:

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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.
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25 */s/ Joint Budget Committee*
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