1	State of Arkansas	As Engrossed: H4/5/06	Call It	tem 17	
2	85th General Assembly	A Bill			
3	First Extraordinary Session, 20	006	HOUSE BILL	1036	
4					
5	By: Representative Cook				
6	By: Senator Broadway				
7					
8					
9		For An Act To Be Entitled			
10	AN ACT T	O ESTABLISH THE EXTRAORDINARY			
11	CIRCUMST	ANCES PROGRAM FOR PUBLIC SCHOOL AC	ADEMIC		
12	FACILITI	ES; AND FOR OTHER PURPOSES			
13					
14		Subtitle			
15	TO ES	TABLISH THE EXTRAORDINARY			
16	CIRCU	MSTANCES PROGRAM FOR PUBLIC SCHOOL			
17	ACADE	MIC FACILITIES			
18					
19					
20	BE IT ENACTED BY THE G	ENERAL ASSEMBLY OF THE STATE OF ARE	KANSAS:		
21					
22	SECTION 1. Arkan	nsas Code Title 6, Chapter 21, Subo	chapter 25 is ame	nded	
23	by adding the following	g new section concerning the establ	lishment of a pub	lic	
24	school academic facilit	ties funding program to respond to	extraordinary		
25	circumstances:				
26	6-21-2514. Acade	emic Facilities Extraordinary Circu	ımstances Program	<u>•</u>	
27	(a) The General	Assembly finds that:			
28	(1) In Lake	e View School District v. Huckabee;	, 01-836 (Ark. 12	<u>-15-</u>	
29	2005), the Arkansas Su	oreme Court raised concerns that so	ome school distri	<u>cts</u>	
30	might not receive any	state financial assistance with aca	ademic facilities		
31	projects because the d	istricts might not have sufficient	resources to qua	<u>lify</u>	
32	for state funds under the Arkansas Public School Academic Facilities Funding				
33	Act, § 6-21-2501 et seq., which requires a local contribution based on the				
34	relative wealth of the district;				
35	(2) During the 2006 hearings conducted by the House Interim				
36	Committee on Education	and Senate Interim Committee on Ed	ducation after the	<u>e</u>	

1	2005 Arkansas Supreme Court decision in the Lake View matter, no school		
2	district came forward to testify that the district will be unable to		
3	adequately repair, renovate, or construct school buildings;		
4	(3) The contention in subdivision (a)(1) of this section, while		
5	not without merit as a theory, has not been substantiated. Therefore, the		
6	implementation and funding of a program to provide additional state financia		
7	assistance to school districts with limited resources is premature; and		
8	(4) While implementation and funding may be premature, the		
9	development of a program to provide state financial assistance to eligible		
10	school districts that do not have sufficient means to contribute an amount o		
11	local resources necessary to qualify for state financial participation shoul		
12	be initiated immediately.		
13	(b)(1) The Commission for Public School Academic Facilities and		
14	Transportation division shall develop by rule the Academic Facilities		
15	Extraordinary Circumstances Program under which the Division of Public Schoo		
16	Academic Facilities and Transportation shall provide state financial		
17	assistance to eligible school districts that do not have sufficient means to		
18	contribute an amount of local resources necessary to qualify for state		
19	financial participation under the Academic Facilities Partnership Program, §		
20	6-20-2507, or the Academic Facilities Catastrophic Program, § 6-20-2508.		
21	(2) At a minimum, eligibility criteria for the program shall		
22	address:		
23	(A) School districts with declining enrollment;		
24	(B) School districts with rapid enrollment growth;		
25	(C) School districts with insufficient bonding capacity;		
26	(D) School districts with low assessed property		
27	valuations;		
28	(E) School districts at or above the ninety-fifth		
29	percentile on the academic facilities wealth index; and		
30	(F) Any other circumstance deemed extraordinary by the		
31	division.		
32	(3) At a minimum, the application process for the program shall		
33	require a school district to provide the division with evidence of:		
34	(A) The estimated cost of the project;		
35	(B) The amount of local resources available to contribute		
36	to the project:		

1	(C) The amount and availability of funds from school			
2	district fund balances;			
3	(D) The amount and availability of other public or private			
4	assistance;			
5	(E) Effort made by the school district and the local			
6	community to develop and provide local resources;			
7	(F) How state financial participation, if granted, will			
8	support the prudent and resourceful expenditure of state funds and improve			
9	the school district's ability to deliver an adequate and equitable education			
10	to public school students in the district.			
11	(c) The division shall report to the General Assembly by January 15,			
12	2007, on the development of the program and obtain formal legislative			
13	approval before implementing the program.			
14				
15	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the			
16	General Assembly of the State of Arkansas that the Arkansas Supreme Court			
17	found that the public school funding system continues to be inadequate and			
18	the public schools are operating under a constitutional infirmity which must			
19	be corrected immediately; that some school districts may be unable to raise			
20	local resources necessary to qualify for state financial participation under			
21	the Arkansas Public School Academic Facilities Funding Act, § 6-21-2501 et			
22	seq., and may not receive any state financial assistance for academic			
23	facilities as a result; and that this act is immediately necessary to begin			
24	the development of a program to address the potential financial needs of			
25	school districts in extraordinary financial circumstances. Therefore, an			
26	emergency is declared to exist and this act being necessary for the			
27	preservation of the public peace, health, and safety shall become effective			
28	on:			
29	(1) The date of its approval by the Governor;			
30	(2) If the bill is neither approved nor vetoed by the Governor,			
31	the expiration of the period of time during which the Governor may veto the			
32	bill; or			
33	(3) If the bill is vetoed by the Governor and the veto is			
34	overridden, the date the last house overrides the veto.			
35				
36	/s/ Cook			

HB1036