

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

As Engrossed: H4/5/06  
**A Bill**

Call Item 17

HOUSE BILL 1036

5 By: Representative Cook  
6 By: Senator Broadway  
7

8  
9 **For An Act To Be Entitled**

10 AN ACT TO ESTABLISH THE EXTRAORDINARY  
11 CIRCUMSTANCES PROGRAM FOR PUBLIC SCHOOL ACADEMIC  
12 FACILITIES; AND FOR OTHER PURPOSES  
13

14 **Subtitle**

15 TO ESTABLISH THE EXTRAORDINARY  
16 CIRCUMSTANCES PROGRAM FOR PUBLIC SCHOOL  
17 ACADEMIC FACILITIES  
18

19  
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
21

22 SECTION 1. Arkansas Code Title 6, Chapter 21, Subchapter 25 is amended  
23 by adding the following new section concerning the establishment of a public  
24 school academic facilities funding program to respond to extraordinary  
25 circumstances:

26 6-21-2514. Academic Facilities Extraordinary Circumstances Program.

27 (a) The General Assembly finds that:

28 (1) In Lake View School District v. Huckabee, 01-836 (Ark. 12-15-  
29 2005), the Arkansas Supreme Court raised concerns that some school districts  
30 might not receive any state financial assistance with academic facilities  
31 projects because the districts might not have sufficient resources to qualify  
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 Education after the



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 financial  
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 of  
11 local resources necessary to qualify for state financial participation should  
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 School  
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;

