

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

SENATE BILL 337

5 By: Senator Hester
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For An Act To Be Entitled

8 AN ACT TO REPEAL THE ACADEMIC FACILITIES
9 EXTRAORDINARY CIRCUMSTANCES PROGRAM; AND FOR OTHER
10 PURPOSES.
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Subtitle

14 TO REPEAL THE ACADEMIC FACILITIES
15 EXTRAORDINARY CIRCUMSTANCES PROGRAM.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. DO NOT CODIFY. Findings.

21 The General Assembly finds that:

22 (1) The Academic Facilities Extraordinary Circumstances Program
23 was created as a response to the concerns of the Arkansas Supreme Court in
24 Lake View School District No. 25 v. Huckabee, 364 Ark. 398 (2005), that some
25 school districts may not receive any state financial assistance with academic
26 facilities projects because the school districts may not have sufficient
27 resources to qualify for state funds under the Arkansas Public School
28 Academic Facilities Funding Act, § 6-20-2501 et seq., which requires a local
29 contribution based on the relative wealth of the school district;

30 (2) In developing the program in 2006, the General Assembly
31 found that the need for the program had not been substantiated, no school
32 district came forward claiming that the school district would be unable to
33 adequately repair, renovate, or construct buildings, and that implementing
34 and funding the program was premature;

35 (3) Since the development of the program in 2006, the need for
36 the program has never been substantiated and, as a result, the program has



1 never been funded;

2 (4) Given that there has been no evidence of a need for the program,
3 the program should be repealed.

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5 SECTION 2. Arkansas Code § 6-20-2514 is repealed.

6 ~~6-20-2514. Academic Facilities Extraordinary Circumstances Program.~~

7 ~~(a) The General Assembly finds that:~~

8 ~~(1) In Lake View School District No. 25 v. Huckabee, 364 Ark.~~
9 ~~398 (2005), the Arkansas Supreme Court raised concerns that some school~~
10 ~~districts might not receive any state financial assistance with academic~~
11 ~~facilities projects because the districts might not have sufficient resources~~
12 ~~to qualify for state funds under this subchapter, which requires a local~~
13 ~~contribution based on the relative wealth of the district;~~

14 ~~(2) During the 2006 hearings conducted by the House Interim~~
15 ~~Committee on Education and Senate Interim Committee on Education after the~~
16 ~~2005 Arkansas Supreme Court decision in the Lake View matter, no school~~
17 ~~district came forward to testify that the district will be unable to~~
18 ~~adequately repair, renovate, or construct school buildings;~~

19 ~~(3) The contention in subdivision (a)(1) of this section, while~~
20 ~~not without merit as a theory, has not been substantiated. Therefore, the~~
21 ~~implementation and funding of a program to provide additional state financial~~
22 ~~assistance to school districts with limited resources is premature; and~~

23 ~~(4) While implementation and funding may be premature, the~~
24 ~~development of a program to provide state financial assistance to eligible~~
25 ~~school districts that do not have sufficient means to contribute an amount of~~
26 ~~local resources necessary to qualify for state financial participation should~~
27 ~~be initiated immediately.~~

28 ~~(b)(1) The Commission for Arkansas Public School Academic Facilities~~
29 ~~and Transportation shall develop by rule the Academic Facilities~~
30 ~~Extraordinary Circumstances Program under which the Division of Public School~~
31 ~~Academic Facilities and Transportation shall provide state financial~~
32 ~~assistance to eligible school districts that do not have sufficient means to~~
33 ~~contribute an amount of local resources necessary to qualify for state~~
34 ~~financial participation under the Academic Facilities Partnership Program, §~~
35 ~~6-20-2507, or the Academic Facilities Catastrophic Program, § 6-20-2508.~~

36 ~~(2) At a minimum, eligibility criteria for the Academic~~

1 ~~Facilities Extraordinary Circumstances Program shall address:~~

2 ~~(A) School districts with declining enrollment;~~

3 ~~(B) School districts with rapid enrollment growth;~~

4 ~~(C) School districts with insufficient bonding capacity;~~

5 ~~(D) School districts with low assessed property~~

6 ~~valuations;~~

7 ~~(E) School districts at or above the ninety fifth~~

8 ~~percentile on the academic facilities wealth index; and~~

9 ~~(F) Any other circumstance deemed extraordinary by the~~

10 ~~division.~~

11 ~~(3) At a minimum, the application process for the Academic~~

12 ~~Facilities Extraordinary Circumstances Program shall require a school~~

13 ~~district to provide the division with evidence of:~~

14 ~~(A) The estimated cost of the project;~~

15 ~~(B) The amount of local resources available to contribute~~

16 ~~to the project;~~

17 ~~(C) The amount and availability of funds from school~~

18 ~~district fund balances;~~

19 ~~(D) The amount and availability of other public or private~~

20 ~~assistance;~~

21 ~~(E) Effort made by the school district and the local~~

22 ~~community to develop and provide local resources; and~~

23 ~~(F) How state financial participation, if granted, will~~

24 ~~support the prudent and resourceful expenditure of state funds and will~~

25 ~~improve the school district's ability to deliver an adequate and equitable~~

26 ~~education to public school students in the district.~~

27 ~~(c) The division shall report to the House Committee on Education and~~

28 ~~the Senate Committee on Education by October 15, 2015, on the development of~~

29 ~~the Academic Facilities Extraordinary Circumstances Program and shall obtain~~

30 ~~formal legislative approval before implementing the Academic Facilities~~

31 ~~Extraordinary Circumstances Program.~~

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