91st General Assembly
2018 Fiscal Session

AAEA & ASBA
Joint Leadership
Conference
May 10, 2018

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Some 2018 Bills of Interest
• Appropriation of Funds for the 2018-19 fiscal year set in the 2017 Regular Session
• Foundation Funding for 2018-19 is $6,781 (increase of $68)
• Additional $4 million to Professional Development added for PLC’s only
• No increase to National School Lunch Funding (NSL)
• No increase to Alternative Education funding (ALE)
• No increase to English Language Learner Funding (ELL)
Amendment # 5 to SB33 — ABC Program

• Increase of $2 million to Arkansas Better Chance preschool program
• Increases ABC to $116 million annually

• Allowed ADE to write rules to define “large group instruction” as it relates to the 150 student per day teacher assignment. (Grades 5-12)
Governor request to Joint Budget to transfer additional $1.5 million to public charter school facility funding

Total charter school facility funding (state aid) is now $6.5 million annually

Eligible charter schools will receive approximately $550 per student for facilities

- 2017-19 Year Two Total Funded Projects $42.3M
- Year Two “Approved But Not Funded” approximately $20M
- Total “Approve But Not Funded” projects for 2017-19 Cycle $59.6M
Amendment #1 to SB 37 — Succeed Scholarship Program

- Governor’s request to the Joint Budget
- Provided $242,677 in additional funds to the Succeed Scholarship Fund
- Provides funding for “severely disabled” students to attend private schools
- Total funding for the program is now $1,542,677 annually
KMW106 Draft Amendment to SB 33 — Added $$$ to Education

- Introduced by Senator Will Bond in Special Language
- Would have added $17 million to Pre-K Education
- Would have added $33 million in a “sub reserve” fund for other public education needs
- Bill Failed in Special Language Committee
Amendment # 1 to HB1122 — 529 Education Savings Account

- Introduced by Senator Rapert
- Would have expanded 529 savings account funds to be used for paying allowable education expenses for public or private school students
- An allowable expense would have included private school tuition
- Failed the full House on 2 occasions
91st General Assembly
2018 Special Session
HB 1008/SB 6 - 529 Savings Plan

• Expanded 529 College Savings Plan to include K – 12 public and private schools
• Contributions are made in ‘after tax’ dollars
• Growth proceeds are not taxed upon withdrawal
• Each taxpayer can now take an income tax deduction of up to $5k annually for contributions into the Arkansas GIFT Plan
• $5k deduction for taxpayer in top tax bracket would be about a $345 income tax savings
• The maximum deduction for out-of-state 529 plans is $3k annually
• Estimated $5.2 million impact on state revenues
HB 1009/SB 3 - Transfer Students

• Amends the method for calculating siblings in the 3% cap when students are transferring between districts
• Siblings are now counted individually (instead of a total of 1) when transferring
• There is a clause that allows all siblings to transfer in the instance when their particular choice application is the one that triggers the 3% cap
Other Topics

Legislation is the making or enacting of laws by the legislative body or government and may refer to laws, a law or set of laws.
Safety Committees

- Arkansas Safe Schools Committee
- Arkansas School Safety Commission
- School Safety as a Joint Performance Review Committee (PRC) Topic
- Arkansas Center for School Safety
Arkansas Safe Schools Committee

• Created by legislative action in 1997
• Directed AR Dept. of Ed (ADE) to create a Safe Schools Committee
• Committee is made up of teachers, administrators, school counselor, safety experts, school board members, ADE officials
• Responsibilities
  1. Develop model policies and procedures for schools
  2. Make recommendations to the State Board of Education
  3. Make recommendations to House and Senate education committees
Arkansas School Safety Commission

- Created in March 2018 by executive order from Governor Hutchinson
- Commission made up of diverse members including law enforcement, emergency management, school personnel, and mental health personnel
- Charge is to evaluate and make recommendations on security policies, campus designs, emergency plans, security data, and counseling and mental health services
- Initial report due to Governor by July 1, 2018
- Final report due to Governor by November 1, 2018
School Safety as Legislative Joint Performance Review Committee

- Senator Missy Irvin and Representative Mark Lowery are co-chairs.
- Senator Irvin was sponsor of Safe Schools Initiative Act in 2013 requiring student and teacher training in response to terrorism, shooting, and natural disasters.
- Look at existing Arkansas and other states’ legislation on the topic.
- Will hold year-long series of meetings.
- Hope to gain ideas to elicit proposals for legislation in 2019.
Arkansas Center for School Safety

- Partnership between Criminal Justice Institute and AR Dept of Ed
- Catalog of basic and specialty school safety training courses for law enforcement and school personnel
- Provides information, training and resources on security, safety, drug, gang, bullying, etc. topics
- Utilizes classroom based instruction and hands-on application
- No fees for the classes
- Courses and training can be used for educator PD hours
School Safety Survey

- Superintendents/Principals – 372 responses in 72 hours
- Additional security staff – SRO, Certified School Safety Officers, Security Officers, etc.
- Securing Facilities – fencing, limiting access, doors, mag locks, etc.
- Additional Measures – cameras, communication devices, metal detector, swipe cards, etc.
- Additional mental health services – counseling, mental health providers, social workers, etc.
- Training, security audits, safety plans, etc.
Recommendations to Consider

• Matching grant for districts and schools to improve/enhance security

• Additional funding for facility related concerns

• Establish a restricted categorical fund for schools to have available to spend on school safety
Legislative Task Force on Workforce Education Excellence

- Established by Act 951 of 2017
- Responsibilities include:
  1. Reviewing outcomes of secondary and postsecondary Career and Technical Education (CTE) and workforce programs;
  2. Reviewing the current and future workforce needs of the state;
  3. Recommending strategies to meet the state’s workforce needs;
  4. Researching methods to create an inter-agency data sharing plan; and
  5. Reviewing ways to reduce duplication and to align CTE and workforce development programs.
- Submitted interim report on February 1, 2018
- Full content of that report can be viewed on the Arkansas Legislature website
Property Tax Issue

- Taxpayers may contest amount of taxes to be paid
- Taxes do not go into escrow but are held by taxpayer
- May take years to settle tax issue
- Potentially a huge financial impact on school districts

- Box store and dark store theory
- Assess stores as empty instead of actual goods on hand
- Could lower school revenue

- Increase the homestead exemption from $350 to $375 ($18M)
Coming Your Way Soon
Keep These Topics on Your Radar

- Voucher, Tax Deduction, Tax Credit and Scholarship Bills
- Foundation funding that does not keep up with the COLA
- Changes to facility funding/wealth index/Partnership Funds on hand
- Unrestricted building fund balances
- Changes in transportation funding that might result in increases/reductions for some districts
- Teacher salaries
- Unfunded mandates
Questions & Answers

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