

SUMMARY

To summarize the changes:

- The language of the Rules has been revised to include annexations.
- The authority for the promulgation of the Rules has been updated to reflect current statutory authority.
- Base Local Revenue Per Student has been removed from the definitions and calculation to reflect changes to statutes.
- Foundation Funding and Foundation Funding Amount per Student has been added to definitions and calculations to reflect changes to statutes.

Districts that are required to consolidate/annex will be provided incentive funding. Formerly, the Rules only allowed for incentive funding to districts that voluntarily consolidated.

QUESTIONNAIRE FOR FILING PROPOSED RULES WITH
THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Arkansas Department of Education
DIVISION Fiscal and Administrative Services
DIVISION DIRECTOR Dr. Bobbie Davis
CONTACT PERSON Cindy Hedrick
ADDRESS #4 Capitol Mall, Room 105-C, Little Rock, Arkansas 72201
PHONE NO. (501) 682-4484 FAX NO. (501) 682-9035 E-MAIL chedrick@arkedu.k12.ar.us

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire & financial impact statement attached to the front of two (2) copies of your proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Subcommittee on Administrative Rules and Regulations
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

- 1. What is the short title of this rule? **Rules Governing the Distribution of Consolidation/Annexation Incentive Funding**
- 2. What is the subject of the proposed rule? **The method of allocating incentive funding for school districts that are consolidating or annexing.**
- 3. Is this rule required to comply with federal statute or regulations? Yes _____ No X _____
If yes, please provide the federal regulation and/or statute citation.
- 4. Was this rule filed under the emergency provisions of the Administrative Procedures Act?
Yes _____ No X _____
If yes, what is the effective date of the emergency rule?

When does the emergency rule expire?

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? Yes _____ No _____

5. Is this a new rule? Yes _____ No X ____ If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule? Yes _____ No X ____ If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes X No ____ If yes, please attach a markup showing the changes in the existing rule and a summary of the substantive changes. NOTE: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."

6. Cite the state law that grants the authority for this proposed rule. If codified, please give Arkansas Code citation.
Ark. Code Ann. §§6-13-1401 et seq. and Act 2131, Section 13, Regular Session, 2005

7. What is the purpose of this proposed rule? Why is it necessary?
The rule is necessary to detail the method of allocating incentive funding for school districts that are consolidating or annexing. The proposed rule simply changes a rule already in existence for this purpose.

8. Will a public hearing be held on this proposed rule? Yes X No ____
If yes, please complete the following:

Date: Tuesday, October 11, 2005
Time: 9:00 a.m.
Place: ADE Auditorium, Arch Ford Education Bldg.

9. When does the public comment period expire for permanent promulgation? (Must provide a date.)
October 31, 2005
10. What is the proposed effective date of this proposed rule? (Must provide a date.)
December 2005

11. Do you expect this rule to be controversial? Yes _____ No X ____
If yes, please explain.

12. Please give the names of persons, groups, or organizations that you expect to comment on these rules. Please provide their position (for or against) if known.
Opposition is not expected. School administrators may comment on the proposed changes.

FINANCIAL IMPACT STATEMENT

DEPARTMENT Arkansas Department of Education
 DIVISION Fiscal and Administrative Services
 PERSON COMPLETING THIS STATEMENT Cindy Hedrick
 PHONE NO. (501) 682-4484 FAX NO. (501) 682-9035 E-MAIL chedrick@arkedu.k12.ar.us

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE **Rules Governing the Distribution of Consolidation/Annexation Incentive Funding**

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?
 Yes _____ No X _____
No additional cost for changes to the existing rule.
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year**Next Fiscal Year**

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Total _____

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? Identify the party subject to the proposed regulation and explain how they are affected.

Current Fiscal Year**Next Fiscal Year**

\$ _____

\$ _____

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

Current Fiscal Year**Next Fiscal Year**

\$ _____

\$ _____