

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

DEPARTMENT/AGENCY Department of Education 005.04.99-002  
DIVISION Public School Finance & Administrative Support  
DIVISION DIRECTOR Patricia Martin  
CONTACT PERSON Norma Lynn Nye  
ADDRESS #4 Capitol Mall, Room 202-A, Little Rock, AR 72201  
PHONE NO. (501) 682-5124 FAX NO. (501) 682-9035

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 attached to the front of two (2) copies of your proposed rule and 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 and Regulations Governing the Distribution of Isolated Funding*
2. What is the subject of the proposed rule?  
*To establish criteria by which a school district may choose the basis for calculation of the district's isolated funding.*
3. Is this rule required to comply with federal statute or regulations?  
Yes \_\_\_\_\_ No XX \_\_\_\_\_

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 XX \_\_\_\_\_  
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 regular provisions of the Administrative Procedure Act? Yes \_\_\_\_\_ No \_\_\_\_\_

5. Is this a new rule? Yes \_\_\_\_\_ No XX \_\_\_\_\_

Does this repeal an existing rule? Yes \_\_\_\_\_ No \_\_\_\_\_  
If yes, please provide a copy of the repealed rule.

Is this an amendment to an existing rule? Yes

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If yes, please attach a markup showing the changes in the existing rule and a summary of the substantive changes.

*Please see attached.*

6. What state law grants the authority for this proposed rule? If codified, please give Arkansas Code citation.

*Arkansas Code Annotated § 6-20-601 and A.C.A. § 6-20-303 (17), as amended by Section 10 of Act 1549 of 1999.*

7. What is the purpose of this proposed rule? Why is it necessary?

*To establish a criteria by which a school district may choose the basis for calculation of the district's isolated funding.*

8. Will a public hearing be held on this proposed rule? Yes XX No         
If yes, please give the date, time, and place of the public hearing.

*Place: Arkansas Department of Education  
# 4 Capitol Mall, Auditorium  
Little Rock, AR 72201*

*Date: May 19, 1999  
Time: 1:30 p.m.*

9. When does the public comment period expire?

*June 11, 1999 4:30 p.m.*

10. What is the proposed effective date of this proposed rule?

*July 2, 1999*

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

12. Please give the names of persons, groups, or organizations which you expect to comment on these rules. Please provide their position (for or against) if known.

*Various School Districts - position unknown*

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Education  
DIVISION Public School Finance & Administrative Support  
PERSON COMPLETING THIS STATEMENT Norma Lynn Nye  
TELEPHONE NO. (501) 682-5124 FAX NO. (501) 682-9035

FINANCIAL IMPACT STATEMENT

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

SHORT TITLE OF THIS RULE Rules and Regulations  
Governing the Distribution of Isolated Funding

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?  
Yes XX No

2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

N/A

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.

1997-98 Fiscal Year

1998-99 Fiscal Year

General Revenue                       
Federal Funds                       
Cash Funds                       
Special Revenue                       
Other                       
Total                     

General Revenue                       
Federal Funds                       
Cash Funds                       
Special Revenue                       
Other                       
Total                     

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation?

1997-98 Fiscal Year

1998-99 Fiscal Year

None

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

1997-98 Fiscal Year

1998-99 Fiscal Year

None

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DEPARTMENT OF EDUCATION  
FISCAL IMPACT STATEMENT  
OF PROPOSED REGULATION  
(In compliance with Acts 884 and 1253 of 1995)

Regulation Title: *Rules and Regulations Governing the Distribution of Isolated Funding*

Summary Description of Regulatory Proposal:

*To establish criteria by which a school district may choose the basis for calculation of the district's isolated funding.*

Cite Statutory Authority for this Regulatory Proposal: *Arkansas Code Annotated §6-20-601 and A.C.A. §6-20-303 (17) as amended by Section 10 of Act 1549 of 1999.*

- I. Fiscal Impact on the Department: (include whether impacts are non-recurring or recurring) N/A
  - A. Resources Required - Personnel, equipment, office space.
  - B. Time Required for Implementation.
  - C. Procedural Changes.
  - D. Other.
- II. Fiscal Impact on Local School District or Others? (Include whether impacts are non-recurring or recurring)
  - A. Resources Required - Personnel, equipment, office space.
  - B. Time Required for Implementation.
  - C. Procedural Changes.
  - D. Other. *Qualified school districts will receive additional funds, could be recurring.*
- III. Additional Comments.

Prepared by: (Name) Patricia Martin  
(Title) Assistant Director, Public School Finance & Administrative Support  
(Date) May 11, 1999

**Arkansas Department of Education  
Rules and Regulations  
Governing the Distribution of Isolated Funding**

**1.00 Regulatory Authority**

- 1.01 These regulations shall be known as Arkansas Department of Education Regulations governing the distribution of funding to Isolated School Districts in accordance with ~~Act 1349 of 1997~~ and Arkansas Code Annotated § 6-20-601 and Ark. Code Ann. § 6-20-303 (17), as amended by Section 2 (17) of ~~Act 1307 of 1997~~, 10 of Act 1549 of 1999.
- 1.02 These regulations are enacted pursuant to the State Board of Education's authority under ~~Arkansas Code Annotated~~ Ark. Code Ann. § 6-11-105 (Repl. 1993) and 6-20-305 (1995 Supp.).

**2.00 Purpose**

- ~~2.01~~ It is the purpose of these regulations to establish criteria by which a school district may choose the basis for calculation of the district's isolated funding and to establish an isolated funding factor.

**3.00 Definitions**

- 3.01 Isolated Funding - The state financial aid provided to local school districts with an average daily membership of less than three hundred fifty (350) from funds made available for that purpose.
- 3.02 Isolated Funding Factor - A factor calculated by dividing the isolated funding budgeted by the State Board of Education, by the total amount qualifying school districts would be eligible to receive based on the calculation of aid as defined by law.

**4.00 Selection of Method of Calculation**

- 4.01 School districts with an ADM of less than 350 will not be required to apply for isolated funding as established by ~~Arkansas Code Annotated~~ Ark. Code Ann. § 6-20-303 (17) as amended by Section 2 (17) of Act 1307 of 1997, 10 of Act 1549 of 1999.
- 4.02 School districts which may elect to qualify for isolated funding as provided in ~~Act 1349 of 1997~~ Ark. Code Ann. § 6-20-601 shall apply to the Department of Education.

## 5.00 Application for Aid

- 5.01 School districts applications to qualify for isolated funding, in accordance with ~~Act 1318 of 1997~~ Ark. Code Ann. § 6-20-601 shall be on forms provided by the Arkansas Department of Education.
- 5.02 Applications to qualify for isolated funding are due by May 15, preceding the school year for which Isolated Funding is to be provided.
- 5.03 The Department of Education shall review all applications for isolated status to determine compliance with all eligibility criteria.

## 6.00 Funding Distribution

- 6.01 Isolated funding shall be calculated as defined by law.
- 6.02 Funds shall be distributed by multiplying each qualifying school district's isolated funding by the Isolated Funding Factor.

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