

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 290
Department or Agency: Alabama State Board of Education State Department of Education
Rule No.: 290-2-1-.06
Rule Title: Annual Apportionment of RAISE Act Funds
Intended Action: New

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? Yes

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? NA

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? Yes

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

Eric G. Mackey
Eric Mackey

Date

Friday, August 15, 2025

REC'D & FILED
AUG 15, 2025
LEGISLATIVE SVC AGENCY

ALABAMA STATE BOARD OF EDUCATION
STATE DEPARTMENT OF EDUCATION

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama State Board of Education

RULE NO. & TITLE: 290-2-1-.06 Annual Apportionment of RAISE Act Funds

INTENDED ACTION: New

SUBSTANCE OF PROPOSED ACTION:

To create a new Rule to comply with Act No. 2025-257 and Act No. 2025-270.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

A public hearing will be held on October 9, 2025, beginning at 10:00 a.m. at the Auditorium, Plaza Level, Gordon Persons Building, 50 North Ripley Street, Montgomery, AL. All persons who wish to express their views should contact the State Superintendent of Education (334-694-4900) no later than October 3, 2025, to be scheduled on the agenda. All persons who wish to express their views in writing must address written comments to the State Superintendent of Education, Gordon Persons Building, Post Office Box 302101, Montgomery, AL 36130-2101.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Friday, October 3, 2025

CONTACT PERSON AT AGENCY:

Sonja Peaspanen
Division of Administration and
Finance
Alabama State Department of
Education
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(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

Regulations of the State Board of Education pertaining to the annual apportionment of the RAISE (Renewing Alabama's Investment in Student Excellence) Act funds effective October 1, 2025. The cost of the RAISE Act shall be determined and the allotments made in accordance with the provisions of Ala. Acts 2025-257, 2025-270, and as hereinafter provided:

(1) Cost of the RAISE Act. The cost of the RAISE Act shall be computed in five student categories for each local board of education. The five categories are students in poverty, special education students, English language learners, charter school students, and gifted students. The weighted allocation of each category shall be a percentage of the Base Funding Factor. Local Education Agencies (LEAs) will receive weighted allocations for each qualifying student in each student group. The total of the cost in the five categories as defined herein is the cost of the RAISE Act program. The RAISE Act funds are in addition to the Foundation Program funding.

(a) Base Funding Factor. Calculated by dividing the total state and local cost of the Foundation Program by the average daily membership (ADM) for the immediately preceding fiscal year, using the Foundation Program State Allocation report. The Base Funding Factor for FY 2026 is \$7,547 per student.

(b) Poverty. Students identified as direct certification in the official Fall attendance collection. The weighted allocation is 2.25% for each identified student.

(c) Special Education. For FY 2026, the allocation will be calculated using the October 2024 Child Count. Beginning with FY 2027, the allocation will be calculated using the official Fall attendance collection. Students identified for special education services shall generate a weight based on the identified exceptionality. Three tiers shall be established in the annual Education Trust Fund Appropriations Act based on the additional resources required to support students in each special education tier.

1. Tier I students include exceptionalities of specific learning disability, speech/language impairment, and other health impairment. The weighted allocation is 2% for each student.

2. Tier II students include exceptionalities of autism spectrum disorder, intellectual disability, developmental

disability, and multiple disabilities. The weighted allocation is 10% for each student.

3. Tier III students include exceptionalities of emotional disturbance or disability, hearing impairment, orthopedic impairment, visual impairment, deaf-blindness, and traumatic brain injury. The weighted allocation is 75% for each student.

(d) English Language Learner (ELL). Students identified in the official Fall attendance collection shall generate a weighted allocation of 7% for each student, unless the LEA has a concentrated ELL student population.

1. Concentrated ELL - LEAs with an ELL student population over 9% of ADM shall generate a higher weighted allocation of 10% for each student.

(e) Charter School Student. Students at public charter schools shall generate a weighted allocation of 2% for each student in the official Fall attendance collection for the charter school.

(f) Gifted Students. The number of gifted students in an LEA shall be calculated as 5% of ADM in the official Fall attendance collection. The calculated number of gifted students shall generate a weighted allocation of 4.5%.

(g) For FY 2026, if any LEA has a poverty, ELL, or gifted student group whose calculated weighted allocation consolidated into the RAISE Fund is less than the FY 2025 allocation for Local Boards At-Risk, ELL Grant, Gifted Students Program then the LEA shall receive the same amount of funding as they did in Fiscal Year 2025.

(h) Total Local Board RAISE Act Funds. The sum of the calculated weighted allocation for each category (1) (b-f) for a local board is the total RAISE Act funds for the local board in FY 2026.

(2) Allotment of the RAISE Act Cost. The local board RAISE Act funds from (1)(h) above shall be allocated to local boards on a monthly basis in 12 installments.

(3) Requirements to Receive RAISE Act Funds. In order to receive RAISE Act funds, local boards of education are required to furnish information and file reports and records required by the State Board.

(a) Local boards of education are required to provide attendance data, student data, and other information necessary to calculate the cost of the RAISE Act funds and other state funds. The State Superintendent shall establish procedures for collecting this information.

(b) The LEA ensures that all funds received from the RAISE Fund are used to serve the student groups that generated the funds under Ala. Code § 16-13-364 (1975).

(c) LEAs with conversion charter schools shall allocate to the conversion charter school operator all weighted allocations generated by the students at the conversion charter school.

(4) Flexibility. For FY 2026, local boards of education may exercise flexibility between student groups up to 10% of the weighted allocation for the student category. Flexibility greater than 10% will require approval by the State Superintendent of Education.

Author: Eric G. Mackey.

Statutory Authority: Ala. Code §§ 16-3-13, 16-13-364, and 36-6A-1, et seq., (1975); Acts 2025-257, 2025-270.

History: **New Rule:** Filed September 13, 1996; effective October 18, 1996. **Amended:** Filed December 17, 1997; effective January 21, 1998. **Repealed:** Filed September 10, 1998; effective October 15, 1998. **New Rule:** Published August 29, 2025; effective _____.