

# ARKANSAS SENATE

## 84th General Assembly - Second Extraordinary Session, 2003 Amendment Form

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### Subtitle of House Bill No. 1049

"AN ACT PROVIDING EDUCATION REFORM; TO PROVIDE FOR EDUCATION FUNDING; TO ESTABLISH EDUCATIONAL ADEQUACY ACCOUNTING; AND TO ESTABLISH MINIMUM TEACHER COMPENSATION."

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### Amendment No. 1 to House Bill No. 1049.

Amend House Bill No. 1049 as engrossed, H12/26/03 (version: 12-26-2003 11:46):

Page 1, delete lines 28 through 30 and substitute the following:

"6-20-2001. Title and purpose.

(a) This subchapter shall be known and may be cited as the "Education Funding Reform Act of 2003".

(b) The purpose of this subchapter is to establish adequate levels of funding for public schools. This subchapter does not impose staffing requirements or minimum teacher-student ratios upon public schools."

AND

Page 7, delete lines 30 and 31 and substitute the following:

"(0.1) of a full-time equivalency, shall carry a resource price of forty-seven thousand two hundred fifty dollars (\$47,250);"

AND

Page 8, delete lines 11 and 12 and substitute the following:

"shall carry a resource price of forty-seven thousand two hundred fifty dollars (\$47,250) for each classroom teacher, or pro-ration thereof rounded down to"

AND

Page 8, delete line 17 and substitute the following"

"forty-seven thousand two hundred fifty dollars (\$47,250) for each specialist"

AND

Page 8, delete line 26 and substitute the following:



"resource price of forty-seven thousand two hundred fifty dollars (\$47,250) for"

AND

Page 9, delete line 3 and substitute the following:

"price of forty-seven thousand two hundred fifty dollars (\$47,250), or pro-"

AND

Page 9, delete line 21 and substitute the following:

"a resource price of forty-seven thousand two hundred fifty dollars (\$47,250),"

AND

Page 11, on line 13, delete "guaranteed" and substitute "guaranteed funding for"

AND

Page 11, on line 34, delete "Special Needs" and substitute "Struggling"

AND

Page 12, on line 4, delete "special needs" and substitute "struggling"

AND

Page 14, delete lines 13 and 14 and substitute the following:

"activities.

(4) By November 1 of each school year, each school district shall file a report which provides the following information as of October 1 of the school year:

(A) The identity of and salary for each teacher that is assigned to the curriculum and courses required by the Arkansas Standards for Accreditation of Arkansas Public School promulgated by the Arkansas Department of Education;

(B) The student-to-teacher ratio for each class or course offered by each school in the school district; and

(C) Other information that may be required by the department in order for each school district to establish that it is efficiently expending foundational funding provided in § 6-20-2004(a) to meet standards for accreditation and minimum teacher salary requirements as of October 1 of each school year. Information related to expenditures for special needs pursuant to § 6-20-2005, student transportation, and extracurricular activities shall not be included in the report.

(b) Any school district that does not meet the requirements of subsection (a)"

AND

Page 15, delete line 34 and substitute the following:  
"Board of Education.

6-20-2012. Gifted and talented student expenditures.

School districts shall expend state and local funds on students in gifted and talented programs in accordance with existing state law and rules promulgated by the Department of Education."

AND

Page 16, delete line 4 and substitute the following:  
"Educational Financial Accounting and Reporting Act of 2003"."

AND

Page 16, delete lines 17 and 18.

AND

Page 18, on line 1, delete "as presented in" and substitute "consistent with"

AND

Page 18, on line 7, delete "business" and substitute "Business"

AND

Page 18, on line 16, delete "business" and substitute "Business"

AND

Page 18, on line 22, delete "6-5-1401" and substitute "§ 6-5-1401"

AND

Page 18, on line 32, delete "that allows for" and substitute "that allow for"

AND

Page 19, delete lines 2 through 6 and substitute the following:

"(e) By November 1 of each year, the Department of Education shall submit a report to the State Board of Education, the Governor, and the Senate and House Interim Committees on Education concerning public school and public school district expenditures as described in the Education Funding Reform Act of 2003, § 6-20-2001 et seq."

AND

Page 19, on line 16, delete "Arkansas Public School Computer Network" and substitute "Department of Education"

AND

Page 19, delete lines 20 and 21 and substitute the following:

"education funds, fiscal accountability, and school finance;

(C) Ethics; and

(D) Financial accounting and reporting of local education agency expenditures."

AND

Page 19, delete lines 25 through 28 and substitute the following:

"of training and instruction as required by the department in order to maintain basic proficiency in the topics described in subdivision (a)(1) of this section."

AND

Page 19, delete lines 29 and 30 and substitute the following:

"(3)(A) The instruction may be received from an institution of higher education in this state, from instruction sponsored by the Department of Education, or by an in-service training program conducted by the Arkansas Association of School Business Officials, or from another provider."

AND

Page 20, delete lines 7 and 8 and substitute the following:

"(5) If the person fails to obtain all required training by December 31, this failure shall constitute one (1) citation"

AND

Page 21, delete lines 3 and 4 and substitute the following:

"subchapter shall be placed in fiscal distress as provided by law."

AND

Page 21, delete lines 21 and 22 and substitute the following:

"distress and subject to the applicable enforcement provisions as provided by law."

AND

Page 21, delete lines 24 through 26 and substitute the following:

"requirements of the Education Funding Reform Act of 2003, § 6-20-2001 et seq. shall be deemed to be in fiscal distress and subject to the applicable enforcement provisions as provided by law."

AND

Page 24, delete lines 12 through 23

AND

Page 24, on line 25 delete "6-17-2406" and substitute "6-17-2405"

AND

Page 25, delete lines 3 through 9 and substitute the following:

"(c) The additional pay for teachers authorized by this section shall be paid by school districts with funds provided by the Department of Education."

AND

Page 25, on line 11, delete "6-17-2407" and substitute "6-17-2406"

AND

Page 25, delete lines 35 and 36

AND

Page 26, delete lines 1 through 6

AND

Page 26, on line 8, delete "6-18-2409" and substitute "6-18-2407"

AND

Page 45, delete lines 29 and 30 and substitute the following:

"SECTION 7. Arkansas Code Title 6, Chapter 17, Subchapter 21 is repealed.

~~6-17-2101. Title.~~

~~This subchapter, § 6-5-307(a), and § 6-20-412 shall be known as "The Educator Compensation Act of 2001".~~

~~6-17-2102. Legislative findings and intent.~~

~~(a) The General Assembly determines that:~~

~~(1) Salaries of Arkansas educators have traditionally lagged behind the salaries of educators in the nation and in the states that surround Arkansas;~~

~~(2) Even though educators have achieved annual increases of approximately three and two tenths percent (3.2%) in recent years, Arkansas is still far behind its neighboring states;~~

~~(3)(A) Nationally and within Arkansas, there has developed a shortage of qualified educators in certain fields of teaching.~~

~~(B) One of the reasons for this shortage is that Arkansas educators lag behind other professionals in salary amount;~~

~~(4) The most important part of a student's educational experience is the people who actually educate them; and~~

~~(5) It is necessary to attract qualified educators to the public education system in order to increase the achievement of all Arkansas public school students.~~

~~(b) It is the intent of the General Assembly that:~~

~~(1) This subchapter shall not supplant, but shall supplement, traditional pay increases that have occurred at the local level in recent years;~~

~~(2) School districts should not stop or alter any intentions to give educators a salary increase in the current school year because of the enactment of this subchapter; and~~

~~(3) This subchapter is the first of many steps that must be and shall be taken by the General Assembly to increase the quality of the working force in education over the upcoming years.~~

~~6-17-2103. Definitions.~~

~~As used in this subchapter, unless the context otherwise requires:~~

~~(1) "Required salary increase" means:~~

~~(A) For fiscal year 2002, an amount no less than one thousand dollars (\$1,000), excluding benefits and employer contributions to teacher retirement and social security, over a targeted educator's salary for fiscal year 2001; and~~

~~(B) For fiscal year 2003 an amount no less than three thousand dollars (\$3,000), excluding benefits and employer contributions to teacher retirement and social security, over a targeted educator's salary for fiscal year 2001;~~

~~(2) "Targeted educator" means an individual employed by a school district, and:~~

~~(A) Who must hold a certificate issued by the State Board of Education in order to be employed in the individual's present position; and~~

~~(B) Whose primary job responsibilities are for the education of public school students in grades prekindergarten through twelve (PK-12) and do not include districtwide administrative duties.~~

~~6-17-2104. Method for implementation.~~

~~(a) On or before June 30 of each fiscal year, each local school district shall have implemented the required salary increase or have received a waiver from the Department of Education under § 6-17-2105.~~

~~(b) A school district shall implement the required salary increase in a variety of methods, including:~~

~~(1) Increasing the base salaries of the targeted educators by the required salary increase;~~

~~(2) Paying a supplement to the salaries of the targeted educators at each step and each lane of the salary schedule equal to the required salary increase and making the supplement an addendum to the targeted educator's contract. The supplement, added to the targeted educator's regular salary, shall equal the targeted educator's total salary which shall be a continuing obligation; or~~

~~(3) A combination of subdivisions (b)(1) and (b)(2) of this section.~~

~~(c) Any school district utilizing the method stated in subsection (b)(2) of this section shall clearly mark those supplements under the title "Targeted Educator Compensation Act Supplement" in order to make the method easily identifiable. The "Targeted Educator Compensation Act Supplement" shall be incorporated into the salary schedule in the same way as other~~

~~salary supplements under §§ 6-17-201—6-17-208.~~

~~(d) Notwithstanding the method used under subsection (b) of this section, the required salary increase shall be a continuing salary obligation of the school districts.~~

~~(e) Targeted educators who work on a part-time basis or individuals who qualify as targeted educators on a part-time basis shall receive a pro rata share of the required salary increase equal to the proportion of time that they are employed.~~

~~(f)(1) Nothing in this section shall be construed to prohibit a school district from implementing the required salary increase for fiscal year 2003 by exceeding the required salary increase for fiscal year 2002 and paying the difference between the required salary increase for fiscal year 2003 and the actual amount applied to the required salary increase for fiscal year 2002.~~

~~(2) The legislative intent of this subchapter is that all targeted educators will receive a required salary increase of three thousand dollars (\$3,000) by fiscal year 2003.~~

~~(g)(1) Nothing in this subchapter shall be construed to allow the step increases for education and experience, required under § 6-17-1001, as currently established in the individual school district, to be applied to the required salary increase as meeting the requirements under the provisions of this subchapter.~~

~~(2) Nothing in this subchapter shall be construed as to allow any other method than increases in the base salary to fulfill the existing requirements of § 6-17-1001 pertaining to the minimum salaries of teachers.~~

~~(3) Nothing in this subchapter shall be construed to prohibit a school district from raising its salaries in excess of the required salary increase.~~

~~(h) Nothing in this subchapter shall be interpreted to preclude school district employees other than targeted educators from receiving a similar increase in salary.~~

~~(i) School districts are prohibited from instituting quid pro quo situations in which school districts extend the length of or add additional duties to the targeted educator's contract in return for the required salary increase.~~

~~(j) The required salary increase for targeted educators who are prekindergarten teachers shall only be required to be implemented if the local school district has sufficient funds available to completely implement the required salary increase for the given fiscal year.~~

#### ~~6-17-2105. Exemptions.~~

~~(a) Any local school district engaged in agreed to collective bargaining with its certified staff shall be exempt from the provisions of this subchapter to the extent that school districts in collective bargaining shall negotiate on salaries and other terms and conditions of employment. This section in no way is to be interpreted as altering or replacing any collective bargaining agreement in place at the time of the enactment of this subchapter.~~

~~(b)(1) Any local school district may petition the Department of Education for a waiver from the provisions of this subchapter.~~

~~(2) The waiver shall not be for a time greater than three (3) years.~~

~~(3) The process for the waiver shall be the same as the process~~

~~for a local school district to receive a waiver under § 6-17-1001.~~

~~(4) Any local school district that petitions for and is granted a waiver from this subchapter shall be placed in Phase I of fiscal distress as defined under §§ 6-20-1601-6-20-1610.~~

~~6-17-2106. Regulatory authority and enforcement.~~

~~(a) The State Board of Education shall have the authority, acting pursuant to its rule-making power, to promulgate appropriate rules and regulations for the implementation of the provisions of this subchapter.~~

~~(b) The provisions of this subchapter shall be audited on an annual basis.~~

~~(c) Any school district that has been found to not be in compliance with the provisions of this subchapter shall be placed on Phase I fiscal distress under the provisions of § 6-20-1601 et seq.~~

SECTION 8. Arkansas Code § 6-12-412 is amended to read as follows:  
6-20-412. Nonrecurring salary payments.

(a) Any school district in the state may pay certified personnel a nonrecurring salary payment from revenues not considered to be recurring sources of revenue.

(b) A nonrecurring salary payment under this section shall not be construed to increase the base salary of the teacher recipient for purposes of calculation of future salary requirements.

(c) Any nonrecurring salary payment under the provisions of this section shall be divided equally among certified personnel employed by the district at the time of payment unless the board of directors of the district and a majority of the teachers agree to a different distribution.

(d) A report indicating the source of the moneys and the name and amount paid to each recipient shall be furnished to the Department of Education and the Division of Legislative Audit by the ex officio financial secretary of the school district.

~~(e) Payments to targeted educators made in the form of supplements as addendums to contracts in fulfilling the provisions of this section, § 6-5-307(a), and § 6-17-2101 et seq. shall not be considered a nonrecurring salary payment under this section.~~

SECTION 9. Effective Date.

This act shall become effective on July 1, 2004."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator J. Jeffress

BBC/VFF - 12-31-2003 08:51

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Secretary