## Stricken language would be deleted from and underlined language would be added to present law.

State of ArkansasAs Engrossed: H12/11/03 H12/16/03 H12/17/03 S12/23/03 S1/13/04 S1/14/04 S1/17/04Call Item 4 84th General Assembly A Bill

Second Extraordinary Session, 2003
HOUSE BILL 1021

By: Representatives Weaver, Seawel, Adams, Bennett, Bolin, Fite, Hickinbotham, House, Milligan,
Oglesby, L. Prater, J. Taylor, Walters, Dees
By: Senators Miller, Critcher, Glover, G. Jeffress, J. Jeffress, Laverty, Womack, Gullett, Horn

## For An Act To Be Entitled

AN ACT PERTAINING TO STATE SCHOOL STANDARDS AND TEACHERS' SALARIES; TO PROVIDE FOR AN ADEQUATE EDUCATION IN ARKANSAS SCHOOLS AND TO ADDRESS THE DISPARITY IN TEACHERS' SALARIES; AND FOR OTHER PURPOSES .

## Subtitle

AN ACT PERTAINING TO STATE SCHOOL STANDARDS AND TEACHERS' SALARIES; TO PROVIDE FOR AN ADEQUATE AND EFFICIENT EDUCATION IN ARKANSAS SCHOOLS AND ADDRESS THE DISPARITY IN TEACHERS, SALARIES.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 6, Chapter 17, is amended to add the following subchapter:

6-17-2401. Title.
This subchapter shall be known and may be cited as the "Minimum Teacher Compensation Act of 2003".

6-17-2402. Legislative intent.
The intent of this subchapter is for the State of Arkansas to create a teacher compensation system that:

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    (1) Attracts and retains the best teachers possible; and
    (2) Will be affordable, somewhat predictable, and in keeping with the
state's educational and fiscal objectives.
    6-17-2403. Definitions.
    As used in this subchapter:
    (1) "Basic contract" means a teacher employment contract for a
number of days that does not exceed the number of days in the school year
required by the State Board of Education for accreditation for the school
year in which the contract is effective; and
    (2) "Teacher" means any full-time employee of a public school
district who is compelled by law to secure a license from the state board as
a condition precedent to employment in a position in or related to grades
pre-kindergarten through twelve (preK-12) of the public schools of this
state.
    6-17-2404. Minimum teacher compensation schedule for 2004-2005.
    (a) The board of directors in each school district in the state shall
pay classroom teachers upon a minimum salary schedule that provides:
    (1) Annual increments for education and experience;
    (2) A base salary; and
    (3) A minimum salary for a teacher with a master's degree and at
least fifteen (15) years of experience.
    (b) In school year 2004-2005, each school district in the state shall
have in place a salary schedule that includes the following:
    (1) A base salary of at least twenty-seven thousand five hundred
dollars ($27,500) for teachers with a bachelor's degree and no experience;
    (2) A base salary of at least thirty-one thousand six hundred
twenty-five dollars ($31,625) for teachers with a master's degree and no
experience; and
    (3) Unless the school district's present salary schedule exceeds
the minimum requirements of this subsection (b), provision for at least
fifteen (15) annual increments for experience of:
    (A) Four hundred fifty dollars ($450) for a bachelor's
degree; and
    (B) Five hundred dollars ($500) for a master's degree.
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(c) For purposes of the salary schedules described in this section, the teacher's experience shall be his or her total years in any school district in the state and shall not be based only upon the years in the school district in which he or she is currently employed.

6-17-2405. Additional pay for certain teacher qualities.
(a)(1) For the school year 2004-2005 and every school year thereafter, school districts shall pay a teacher an additional four and six tenths percent (4.6\%) of the teacher's salary if the teacher teaches in an academic field in which there is a shortage of teachers.
(2) The State Board of Education shall determine for each school year the academic areas in which there is a shortage of teachers.
(b)(1) For the school year 2004-2005 and every school year thereafter, school districts shall pay a teacher an additional ten percent (10\%) of the teacher's salary if the teacher teaches in a geographic area in which there is difficulty in recruiting and retaining teachers.
(2) The state board shall determine for each school year the geographic areas in which there is a difficulty in recruiting and retaining teachers.

6-17-2406. Salary amount.
(a) The Arkansas Teachers' Salaries Study Commission created under § 6-17-806 shall annually review the minimum base salary of certified teachers for grades kindergarten through twelve ( $K-12$ ) and make recommendations to the Department of Education, the Governor, and the General Assembly for modifications as the commission shall deem appropriate.
(b) The State Board of Education may authorize the department to permit a school district to pay a teacher or teachers an amount exceeding, but not less than, the amount set forth in the teacher salary schedule, if:
(1) The department has determined that the school district has a critical shortage of teachers;
(2) The teacher or teachers have a certification in a subjectmatter area that the department has determined to have a critical shortage of teachers;
(3) The teacher's particular skills, performance, training, or experience would warrant a salary increase; or
(4) The school district or a particular school is experiencing a hardship in recruiting or retaining teachers because the teacher salary schedule is significantly disproportionate to the average salaries paid in other available job markets in the county.
(c) The requirements in subsection (b) of this section do not place a cap or maximum on the amount that school districts may pay their teachers.
(d) The salary schedule implemented by this subchapter shall only be valid if completely funded by appropriations from the General Assembly. If a lesser amount than is required to fully fund the salary schedule in each district is funded by the General Assembly, the school district's requirement will be proportionately reduced and the minimum salary schedule required shall be reduced proportionately to the reduction in funding made available.

6-17-2407. Incentives.
(a) The Department of Education shall establish and fund financial incentives for:
(1) Geographic and subject-matter areas in which a critical shortage of teachers exists; and
(2) Schools determined by the State Board of Education to need assistance in recruiting and retaining good certified teachers because those schools have:
(A) Seventy-five percent (75\%) or more of their students performing below basic on the state benchmark tests;
(B) A three-year history of low student performance based on the definitions of the Arkansas Comprehensive Testing, Assessment, and Accountability Program; or
(C) Been unsuccessful in recruiting and maintaining teachers based on the salary schedule of the district.
(b) The incentives are as follows:
(1)(A) A loan forgiveness or scholarship program to recruit high quality people to teach in the areas identified under subsection (a) of this section.
(B) The amount of scholarship or loan amount forgiven is limited to two thousand five hundred dollars $(\$ 2,500)$ per calendar year for up to four (4) years if the teacher teaches in an area identified under subsection (a) of this section.

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(C) The state board shall promulgate regulations to implement this program; and
(2) A salary of up to one hundred ten percent (110\%) of the certified salary of the district in which the teacher is hired if:
(A) Either:
(i) The teacher participates in an initial rigorous twenty-day training session focused on improving student achievement; or (ii) The school employing the teacher demonstrates improved student performance by reaching adequate yearly progress minimum levels for students as outlined in the Arkansas plan for meeting the federal No Child Left Behind Act of 2001, 20 U.S.C. § 6301 et seq., and the Arkansas Comprehensive Testing, Assessment, and Accountability Program.
(B) For every school year that a teacher fails to meet the requirements of either subdivision (b)(2)(A)(i) or subdivision (b)(2)(A)(ii) of this section, the teacher shall participate annually in the regular twenty-day training session for teachers on improving student achievement until one (1) of those provisions is met or sustained, or both.
(c)(1) Each school district desiring to participate in the financial incentive programs available under this section must file a request with the state board by January 1 of the school year prior to the school year for which the incentives may be available.
(2) Based upon the school district's request and any additional information required by the department or the state board, the state board shall determine whether the requirements of subsection (a) of this section have been met and notify the district of the decision.
SECTION 2. (a) The Standards of Accreditation for Arkansas Public Schools, as they exist by rule on January 1, 2004 shall apply through the 2004-2005 school year.
(b)(1) On March 1, 2005, the Department of Education shall determine whether each school district meets the Standards of Accreditation for Arkansas Public Schools and meets the teacher salary requirements provided by law. If on March 1, 2005, a school district fails to meet the Standards of Accreditation for Arkansas Public Schools or the teacher salary requirements, the school district shall be subject to sanctions under The Quality Education Act of 2003, § 6-15-201 et seq.
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(2)(A) If, as a result of not meeting the Standards of Accreditation for Arkansas Public Schools or the teacher salary requirements as required on March 1, 2005, a school district is ordered to consolidate or to be annexed:
(i) The resulting school district must have at least five hundred (500) students per the district's average daily membership;
(ii) The consolidation or annexation shall be administrative and shall not be construed to require the closing of any school; and
(iii) Any school qualifying as an isolated school under Arkansas Code § 6-20-601 that is in a school district subject to consolidation or annexation under this section shall remain open under the resulting district.
(B) Nothing in this section shall prohibit voluntary consolidation or annexation of a school district.

SECTION 3. Consolidation or annexation assistance funds.
(a) Immediately upon the effective date of this act, the Chief Fiscal Officer of the State shall transfer on his books and those of the State Treasurer and the Auditor of the State the sum of fifteen million dollars (\$15,000,000) from funds received from the Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 to the Department of Education Public School Fund Account there to be used for the consolidation or annexation incentive provided in this section.
(b)(1) The state shall pay consolidation or annexation assistance funds to each school district having an average daily membership of less than five hundred (500) for each of the two (2) school years preceding the school year in which the consolidation or annexation petition is filed, if the school district voluntarily consolidates with another school district or school districts or voluntarily is annexed to another school district or districts and the resulting district has an average daily membership of at least five hundred (500).
(2) The State Board of Education shall promulgate rules concerning the distribution of consolidation or annexation assistance funds.

SECTION 4. Definitions.
(a) As used in section 2 and 3 of this act, "average daily membership" means the total number of days attended plus the total number of days absent by students in grades kindergarten through twelve (K-12) during the first three (3) quarters of each school year divided by the number of school days actually taught in the district during that period of time rounded up to the nearest hundredth.
(b) Students who may be counted for average daily membership are:
(1) Students who reside within the boundaries of the school district and who are enrolled in a public school operated by the district or a private school for special education students, with their attendance resulting from a written tuition agreement approved by the Department of Education;
(2) Legally transferred students living outside the district but attending a public school in the district; and
(3) Students who reside within the boundaries of the school district and who are enrolled in the Arkansas National Guard Youth Challenge Program, so long as the students are participants in the program.

SECTION 5. Arkansas Code Title 6, Chapter 13, is amended to add an additional subchapter to read as follows:

6-13-1601. Definitions.
For purposes of this subchapter:
(1) "Average daily membership" means the same as defined under § 6-20-303;
(2) "Education efficiency and adequacy unit" means a cooperative endeavor established under § 6-13-1602; and
(3) "Participating school district" means a school district in an education efficiency and adequacy unit.

6-13-1602. Education efficiency and adequacy units.
(a)(1) By June 1, 2004, every school district, regardless of size, must be in an education efficiency and adequacy unit.
(2) (A) If the school district has an average daily membership of one thousand five hundred (1,500) students or fewer for the previous school year, the education efficiency and adequacy unit must include at least one (1) other school district.
(B)(i) The selection of school district partners shall be voluntary between the school districts.
(ii) However, if the Department of Education finds on June 1, 2004 that a school district has not selected at least one (1) participating school district as a partner in an education efficiency and adequacy unit, then by July 1, 2004, the department shall assign another school district to the education efficiency and adequacy unit. The school districts must be within a reasonable geographic proximity to one another.
(3) A school district having an average daily membership of more than one thousand five hundred $(1,500)$ students for the previous school year may include another school district in its education efficiency and adequacy unit but is not required to include another school district.
(b) School districts may be partners in more than one (l) education efficiency and adequacy unit during a school year, and any school district may change education efficiency and adequacy units any year.
(c) Each school district shall provide the department with the names of entities in each education efficiency and adequacy unit in which the school district participates.
(d)(1) The partnership between school districts and the establishment of education efficiency and adequacy units under this subchapter shall not be construed to affect the powers of each school district to govern itself.
(2) Nothing in this subchapter shall be construed to prohibit a school district from engaging in cooperative efforts with other school districts outside of the education efficiency and adequacy unit.

6-13-1603. Higher education and education service cooperative partners.
(a) Any public institution of higher education that is situated within the boundaries of a participating school district shall participate as a partner in the education efficiency and adequacy unit.
(b)(1) Any education service cooperatives that are situated within the boundaries of a participating school district shall participate as a partner in the education efficiency and adequacy unit.
(2) An education service cooperative may participate as a partner in more than one (1) education efficiency and adequacy unit.
(3) This section shall not limit the authority of an education

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service cooperative to engage in activities outside of the education
efficiency and adequacy unit.
    6-13-1604. Unit supervisory boards.
    (a) Each education efficiency and adequacy unit shall establish a unit
supervisory board.
    (b)(1) The unit supervisory board shall consist of an equal number of
members from each school district in the education efficiency and adequacy
unit, each public institution of higher education in the education efficiency
and adequacy unit, and each education service cooperative education
efficiency and adequacy unit.
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(2) At least one (1) school board member from each participating school district shall be a member of the unit supervisory board.
(3) At least one (1) school administrator from each participating school district shall be a member of the unit supervisory board.
(c)(1) Each unit supervisory board shall elect a chair who shall preside over the meetings of the board.
(2) The chair shall be elected to serve a one-year term.
(d) Each unit supervisory board shall meet at three (3) times annually and at least one (1) of the meetings is to take place during the school year.
(e) Each participating school district shall equally furnish reasonable staff assistance to their education efficiency and adequacy unit.
(f) A majority vote of those members present shall be required for any action of the unit supervisory board.
(g) Members of the unit supervisory board shall serve without pay but may receive expense reimbursement from entity that the member represents, if authorized by the entity.

6-13-1605. Duties.
Each unit supervisory board shall:
(1) Develop plans for the efficient operation of the
participating school districts in partnership with the other members of the education efficiency and adequacy unit and, if necessary, revise the plans;
(2) Implement the plan for the efficient operation of the participating school districts which shall include, but not be limited to,
provisions for sharing:
(A) Certified personnel;
(B) Classified personnel;
(C) Curriculum and programs;
(D) Administrators;
(E) Maintenance and operation costs;
(F) Purchasing power through contracts and bids; or
(G) Any other operation of the school in which
efficiencies can be obtain through cooperation;
(3) Develop plans for enhanced and increased educational
opportunities;
(4) Ensure collaboration among the participating school districts, the higher education institution partners, and the education service cooperative partners;
(5) Actively encourage involvement of parents, guardians, community members, and business leaders;
(6) Collect data necessary to evaluate the progress of the participating school districts toward providing an efficient and adequate education and increasing educational opportunities;
(7) By August 1, 2004, and each year thereafter, report to the State Board of Education on:
(A) The plan for the efficient operation of the participating school districts in the education efficiency and adequacy unit; and
(B) The contribution that each partner will make toward the efficient operation and increased educational opportunities of the participating school districts by cooperating and sharing resources; and
(8) By January 1 of each year, report to the state board on the efficiencies achieved and increased educational opportunities through the cooperative efforts of the education efficiency and adequacy unit.

6-13-1606. Student eligibility for activities or classes.
At the discretion of the participating school districts, two (2) or more participating school districts may agree to authorize students in the school districts to be eligible to participate in activities or classes of a participating school district, if the activity or class in not offered in the
student's school district.

6-13-1607. State Board of Education -- Rules.
The State Board of Education shall promulgate rules to implement this subchapter.

SECTION 6. Arkansas Code §§ 6-17-1001 through 6-17-1004 are repealed.
6-17-1001. Minimum base salary - Master's degree.
(a)(1) The board of directors in each school district in the state shall pay its teachers upon a salary schedule which has annual increments for education and experience and which provides for a base salary, a minimum salary for a teacher with a master's degree, and at least fifteen (15) years of experience as described in this section.
(2) Beginning with the 2003-2004 school year, the teacher's experience for purposes of salary and benefits shall be his or her total years in any school district in the state and shall not be based on only the years in the district in which he or she is currently employed.
(b) In school year 2000-2001 and in each school year thereafter, no school district shall pay its teachers with a bachelor's degree and no experience less than twenty-one thousand eight hundred sixty dollars (\$21,860).
(c) In school year 2000-2001 and in each school year thereafter, school districts shall pay teachers with a master's degree and no experience at least one hundred fifteen percent (115\%) of the minimum base salary prescribed in subsection ( $b$ ) of this section.
(d) In school year 2001-2002 and in each school year thereafter, school districts shall pay a teacher with a master's degree and at least fifteen (15) years of experience one hundred fifty percent (150\%) of the state minimum base salary.
(e)(1) In school year 1995-1996 and in each school year thereafter, each school district in the state shall have in place a salary schedule which provides at least fourteen (14) annual increments for experience.
(2) In school year 2001-2002 and in each school year thereafter, each school district in the state shall have in place a salary schedule which provides at least fifteen (15) annual increments for experience. (3) In school year 2001-2002 and in each school year thereafter,
each school district in the state shall have in place a salary schedule with at least the following minimum levels of compensation:

| Years Experience | BA Degree Salary | MA Degree Salary |
| :---: | :---: | :---: |
| 0 | $\$ 21,860$ | $\$ 25,139$ |
| 1 | 22,304 | 25,649 |
| 2 | 22,748 | 26,159 |
| 3 | 23,192 | 26,669 |
| 4 | 23,636 | 27,179 |
| 5 | 24,080 | 27,689 |
| 6 | 24,524 | 28,199 |
| 7 | 24,968 | 28,709 |
| 8 | 25,412 | 29,219 |
| 10 | 25,856 | 29,729 |
| 11 | 26,300 | 30,239 |
| 12 | 26,744 | 30,749 |
| 13 | 27,188 | 31,259 |
| 14 | 27,632 | 31,769 |
| 15 Or mere | 28,076 | 32,279 |

(f) For the 1997-98 school year and for each year thereafter, each school district shall provide no less than four hundred-dollar increments for experience for teachers with one (1) and two (2) years of experience.
(g) For the 1998-1999 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollar increments for experience for teachers with three (3) and four (4) years of experience.
(h) For the 1999-2000 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollar increments for experience for teachers with five (5) and six (6) years of experience.
(i) For the 2000-2001 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollar increments for experience for teachers with seven (7) and eight (8) years of experience.
(j) For the 2001-2002 school year and for each year thereafter, each school district shall provide no less than four hundred-dollar increments for experience for teachers with nine (9) and ten (10) years of experience.
(k) For the 2002-2003 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollar increments for
experience for teachers with eleven (11) and twelve (12) years of experience.
(1)(1) For the 2003-2004 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollar increments for experience for teachers with thirteen (13) years of experience.
(2) For the 2004-2005 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollar increments for experience for teachers with fourteen (14) years of experience.
(3) For the 2005-2006 school year and for each year thereafter, each school district shall provide no less than four-hundred-dollax increments for experience for teachers with fifteen (15) years of experience.
(m) Subsections (f)-(1) of this section shall not apply to any local school district whose minimum salary for teachers exceeds twenty-one thousand eight hundred sixty dollars $(\$ 21,860)$ and whose average salary exceeds the state average salary for teachers for the previous year.
( $n$ ) As used in this section, "teacher" shall include any full-time employee of a local public school district:
(1) Who is compelled by law to secure a license from the State Board of Education as a condition precedent to employment in a position in or related to grades prekindergarten through twelve (prek-12) of the public schools of this state; and
(2) Whe is:
(A) Engaged directly in instruction with students in a
elassroom setting for more than seventy percent ( $70 \%$ ) of the individual's contracted time;
(B) A guidance counselor; of
(C) A librarian.
(0) All minimum salaries set forth in this section shall be for a contract number of days that is not more than the number of days in the school year required by the State Board of Education's regulations for accreditation for the school year in which the contract is effective.
(p)(1) A district that determines that it cannot meet the minimum salary requirements of this section from funds available may petition the Department of Education for a waiver of the requirements of this section for up to three (3) school years based on regulations promulgated by the State

## Board of Education.

(2) The department shall not grant a waiver to any district that is not in compliance with the uniform rate of tax requirements under Arkansas Gonstitution, Amendment 74.

6-17-1002. Salary amount - Annual review.
(a) The salaries fixed herein shall be regarded as minimum salaries only, and each district may supplement such salaries. No teacher shall receive a reduced salary as a result of this subchapter's requirements.
(b) Base salary shall not be raised until all teachers within a district are paid equal to or greater than the minimum requirements established herein. Each school district shall develop its own salary schedule with salaries equal to or greater than the required minimums set forth herein.
(c) The Arkansas Teachers' Salaries Study Commission shall annually review the minimum base salary and make recommendations to the Department of Education, the Governor, and the General Assembly for such modifications as the commission shall deem appropriate.

6-17-1003. Enforcement - Appeal - Rules and regulations.
(a) The State Board of Education is empowered to enforce the provisions of this subchapter and is specifically authorized to order the dissolution and merger of any school district which fails to comply with the minimum salary requirements established by this subchapter. Any appeal from a decision of the board oxdexing the dissolution and mexgex of a school district for failure to comply with the provisions of this subchapter shall be filed in the Gircuit Court of Pulaski County and must be filed within thirty (30) days of the decision of the board.
(b) The board shall issue rules and regulations to implement this subchapter.

6-17-1004. Salary goals.
(a) The personnel policies committees and negotiating teams established and maintained in Arkansas public schools are encouraged to set and meet five-year goals to substantially increase teacher salaries. In setting realistic yet meaningful salary goals, the committees and teams shall
consider exceeding the state, regional Southern Regional Education Board states, border states, or national average salaries for teachers.
(b) Within two (2), four (4), and five (5) years following the adoption of this section, school districts shall report to the Arkansas Teachers, Salaries Study Commission and the Department of Education the goals developed, adopted, and met."

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 Jume 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 eurrently 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 subchaptex.
(b)(1) Any local school district may petition the Department of Fducation 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 $£ \S 6-20-1601-6-20-1610$.

6-17-2106. Regulatory authority and enforcement.
(a) The State Boaxd of Education shall have the authoxity, 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. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Arkansas Supreme Court in Lake View District No. 25 v. Huckabee, 351 Ark 31 (2002) declared the nowextant system of education to be unconstitutional because it is both inequitable and inadequate; that the Arkansas Supreme Court set forth the test for the constitutional system to be one in which the state has an "absolute duty" to provide an "equal opportunity to an adequate education"; and that the Arkansas Supreme Court instructed the General Assembly to define and provide what is necessary for an adequate and equitable education for the children of Arkansas. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:
(1) The date of its approval by the Governor;
(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or
(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.
/s/ Weaver

