

ARKANSAS GENERAL ASSEMBLY

HOUSE INTERIM COMMITTEE ON EDUCATION and SENATE INTERIM COMMITTEE ON EDUCATION

Senator Jane English
Senate Chair

Representative Bruce Cozart
House Chair

November 1, 2018

Senator Jonathan Dismang
President Pro Tempore
Arkansas Senate
Room 320, State Capitol
Little Rock, Arkansas 72201

Representative Matthew Shepherd
Speaker of the House
Arkansas House of Representatives
Room 350, State Capitol
Little Rock, Arkansas 72201

Re: A Report on Legislative Hearings for the 2018 Interim Study on Educational Adequacy
(Act 57 of the Second Extraordinary Session of 2003, Act 1204 of 2007, and Act 725 of 2011)

Dear President Dismang and Speaker Shepherd:

The House Interim Committee on Education and the Senate Interim Committee on Education (Education Committees), pursuant to the provisions of Arkansas Code Annotated 10-3-2101 et seq., are pleased to submit their report on the legislative hearings held for the purpose of completing the 2018 interim study on the adequacy of the state's system of public education.

The 2018 Adequacy Report consists of two (2) volumes. Volume I contains the initial findings and recommendations of the Education Committees. Volume II contains copies of all materials presented to the Education Committees for this adequacy review.

As you will see in Volume I, the Education Committees made the following recommendations for changes concerning educational adequacy:

Topic	FY20	FY21
Definition of Adequacy	<p>The definition the General Assembly uses for educational adequacy should be amended as follows:</p> <ol style="list-style-type: none"> 1. The standards included in the state's curriculum <u>and career and technical</u> frameworks, which define what all Arkansas students are to be taught, including specific grade level curriculum, <u>and</u> a mandatory thirty-eight (38) Carnegie units defined by the Arkansas Standards of Accreditation to be taught at the high school level, <u>and opportunities for students to develop career readiness skills;</u> 2. The standards included in the state's testing system. The goal is to have all, or all but the most severely disabled, students perform at or above proficiency on these tests; and 3. Sufficient funding to provide adequate resources as identified by the General Assembly. 	
Special Education	<p>House: Add \$4 million to Catastrophic Occurrences funding for a total of \$17,020,000 in FY20 with the understanding that this amount can be changed during budget hearings.</p> <p>Senate: No change from FY19 funding level (\$13,020,000).</p>	<p>House: Provide no increase to Catastrophic Occurrences funding in FY21, leaving the funding at \$17,020,000 for FY21 with the understanding that this amount can be changed during budget hearings.</p> <p>Senate: No change from FY20 funding level (\$13,020,000).</p>

Topic	FY20	FY21
Teacher Salaries	Increase all steps of the statutory minimum teacher salary by \$1,000 for teachers with a BA and teachers with an MA. This will bring the minimum salary for teachers with a BA to \$32,800 and for teachers with an MA to \$37,450 in FY20.	Increase all steps of the statutory minimum teacher salary by \$1,000 for teachers with a BA and teachers with an MA. This will bring the minimum salary for teachers with a BA to \$33,800 and for teachers with an MA to \$38,450 in FY21.
Partnership Program	No change in the regular funding that has been provided historically for the Partnership Program each year (about \$41.8 million in General Revenue and about \$16 million or so in transfers from savings in facilities predecessor programs).	Provide a total of \$90 million for the Partnership Program for FY21. The \$90 million is to include the funding that historically has been provided for the Partnership Program (about \$41.8 million in General Revenue and about \$16 million in transfers from savings in facilities predecessor programs).
Adequacy Study	A new study of educational adequacy should be undertaken in the next biennium to reexamine the educational system and its finance structure, including the components and underpinning assumptions of the matrix.	
Categorical Funding		
National School Lunch (NSL) Funding	Leave the per-student funding rates at \$526, \$1,051 and \$1,576, but increase the funding for the NSL matching grants by \$1 million, for a total of \$5.3 million in FY20.	Leave the per-student funding rates at \$526, \$1,051 and \$1,576, and continue to provide a total of \$5.3 million for the NSL matching grants in FY21.
Professional Development (PD) Funding	Keep the per-student funding rate at \$32.40, but increase the funding for Professional Learning Communities (PLCs) by \$4 million, for a total of \$12.5 million for PLCs.	Increase the per-student funding rate by \$8.40 (the equivalent of \$4 million statewide), for a per-student funding rate of \$40.80. Keep the funding for PLCs at \$12.5 million for FY21.
English Language Learner (ELL) Funding	Increase the per-student funding rate to \$345 per ELL student.	Increase the per-student funding rate to \$352 per ELL student.
Alternative Learning Environment (ALE) Funding	Increase the per-student funding rate to \$4,700 per ALE FTE student.	Maintain the per-student funding rate at \$4,700 per ALE FTE student.
Foundation Funding		
Classroom Teachers	Increase the teacher salary in the matrix to \$67,127.	Increase the teacher salary in the matrix to \$68,470.
Special Education Teachers		
Instructional Facilitators		
Librarian/Media Specialist		
Guidance Counselor/Nurse		
Instructional Materials	Increase the per-student funding in the matrix for instructional materials to \$184.20.	Increase the per-student funding in the matrix for instructional materials to \$187.90.
Operations and Maintenance	Increase the per-student funding in the matrix for operations and maintenance to \$697.50.	Increase the per-student funding in the matrix for operations and maintenance to \$705.70.

Topic	FY20	FY21
Transportation	Maintain the per-student funding level in the matrix for transportation at \$321.20. Increase the supplemental transportation for high cost districts by \$2 million, for a total of \$5 million in FY20.	Maintain the per-student funding level in the matrix for transportation at \$321.20. Maintain the supplemental transportation for high cost districts at a total of \$5 million in FY21.
Total Foundation Funding Rate	With the increases listed above, the per-student foundation funding rate should be \$6,883 for FY20.	With the increases listed above, the per-student foundation funding rate should be \$6,985 for FY21.

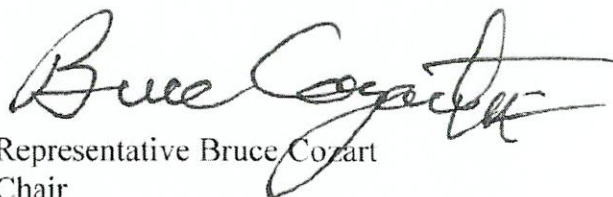
As you review this report, please keep in mind that it is not a static document, but one that is subject to revision or modification by the Education Committees as the situation warrants and as provided for by statute.

The members of the Education Committees look forward to working with you, the members of the 91st General Assembly, and the incoming members of the 92nd General Assembly to ensure the continued adequacy of our state's system of public education.

Sincerely,



Senator Jane English
Vice Chair
Senate Interim Committee on Education



Representative Bruce Cozart
Chair
House Interim Committee on Education

cc: The Honorable Asa Hutchinson, Governor, State of Arkansas

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Senate Chair



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ADDENDUM

March 5, 2019

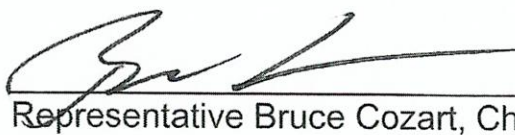
Following the submission of the November 1, 2018 Final Report on the Legislative Hearings for the 2018 Educational Adequacy Study, we found it necessary to increase the foundation funding amounts for the upcoming biennium of school years 2019-2020 and 2020-2021.

Due to the increased costs of submitting the school district portion to the teacher retirement system, the foundation funding amounts were increased by \$16 the first year and \$33 the second year.

The increased foundation funding amounts were provided in HB1685 as filed March 5, 2019 during the 2019 Regular Session.



Senator Jane English, Chairman



Representative Bruce Cozart, Chairman

