

MEETING SUMMARY
JOINT MEETING
OF THE
HOUSE AND SENATE INTERIM COMMITTEES ON EDUCATION

ADEQUACY

Tuesday, October 31, 2017

10:00 A.M.

Room 171, State Capitol

Little Rock, Arkansas

Representative Bruce Cozart, the Chair of the House Interim Committee on Education, called the meeting to order at 10:00 a.m.

MEMBERS OF THE SENATE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Senator Jane English, Chair; Senator Joyce Elliott, Vice Chair; Senator Linda Chesterfield; Senator Alan Clark; and Senator Jim Hendren.

MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Bruce Cozart, Chair; Representative Charlotte V. Douglas, Vice Chair; Representative Rick Beck; Representative Frances Cavanaugh; Representative Andy Davis; Representative Gary Deffenbaugh; Representative Jana Della Rosa; Representative Jon S. Eubanks; Representative Mickey Gates; Representative Grant Hodges; Representative Mark Lowery; Representative Mark D. McElroy; Representative Stephen Meeks; Representative Nelda Speaks; Representative James Sturch; and Representative DeAnn Vaught.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Eddie Cheatham; Senator Jonathan Dismang; Senator Jimmy Hickey, Jr.; Senator Eddie Joe Williams; Representative Fred Allen; Representative Scott Baltz; Representative Carol Dalby; Representative Jim Dotson; Representative Trevor Drown; Representative Kenneth B. Ferguson; Representative Vivian Flowers; Representative Jimmy Gazaway; Representative Jeremy Gillam; Representative Justin Gonzales; Representative Michael John Gray; Representative Ken Henderson; Representative David Hillman; Representative Fredrick J. Love; Representative Roger D. Lynch; Representative Austin McCollum; Representative Reginald Murdock; Representative Aaron Pilkington; Representative Laurie Rushing; Representative Johnny Rye; Representative Jeff Wardlaw; and Representative Carlton Wing.

Remarks by the Chair

Representative Cozart announced that the members of the House and Senate Interim Committees on State Agencies and Governmental Affairs and the House and Senate Interim Committees on Education are invited to a dinner on November 20, 2017, scheduled for 6:00 p.m. through 8:00 p.m., at the reception facilities in the Capitol Hill Building. Representative Cozart said the dinner is being sponsored by a delegation from Taiwan. He directed those wishing to attend to contact him or Representative Bob Ballenger.

The Honorable Linda Chesterfield, State Senator, District 30, was recognized. Senator Chesterfield discussed the Joint Meeting of the House and Senate Interim Committees on Education held at the Marvell-Elaine High School on Monday, October 23, 2017. She stated it was remarkable to see the degree to which the community has come together in support of **Dr. Joyce Cottoms**, superintendent of the school district, and the two school principals. She commented the principals are not just satisfied with the status quo, but are going the extra mile to ensure students are enrolled and getting the services they need. She noted, in spite of the facilities still being somewhat in disrepair, although clean, the students are learning. She said she was particularly impressed that **Mr. Curtis Pettie**, a City Council member, and **County Judge Clark Hall**, Phillips County, attended the meeting. Senator Chesterfield said Mr. Pettie had stated the crime rate is down in the community because children are achieving. She remarked about the direct correlation between how children are treated, how well they perceive

themselves, and what happens in the community. She said the meeting at Marvell-Elaine High School was an uplifting experience; and the superintendent, the principals, and the students are all doing a great job.

The Honorable Jimmy Hickey, State Senator, District 11 and **The Honorable Carol Dalby**, State Representative, District 1, were recognized. Representative Dalby announced that the Texarkana Arkansas School District (TASD) has received a highly competitive federal STEM (Science, Technology, Engineering, and Math) Magnet Schools Assistance Program (MSAP) Grant in the amount of \$15 million. Representative Dalby recognized the school district's superintendent, **Dr. Becky Kesler**, at the meeting; and said Dr. Kesler has been invited by the Chairs to present before the Committees in December.

Discussion of Possible Amendments to the Adequacy Recommendations Contained in the 2016 Adequacy Report Pursuant to Arkansas Code Annotated 10-3-2104(d)

Ms. Nell Smith, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Ms. Smith first updated the Committees on responses received from the superintendent surveys, online principal surveys, and teacher surveys, which are being conducted as part of the 2018 Adequacy Study. She went on to discuss the statutory requirement that by November 1 of the calendar year before the beginning of a year in which there will be a Fiscal Session, the House Committee on Education and the Senate Committee on Education shall meet and discuss possible revisions to the funding recommendations as contained in the most recent Adequacy Study, in this case the 2016 study. Noting that this deadline was the next day, Ms. Smith reviewed the House version and the Senate version of the recommendations contained in the 2016 Adequacy Reports.

Issues Included in the Discussion:

- clarification of language for Professional Development (PD) funding,
- names of schools that are receiving grants for Professional Learning Communities (PLCs), and
- evidence for the \$100 million in Recommendation 2 relating to the Academic Facilities Partnership Program.

Representative Cozart stated that the House version and the Senate version of recommendations would be voted on separately, with a vote taken on the House version first.

Relevant Action:

The Honorable Jon S. Eubanks, State Representative, District 74, was recognized. Representative Eubanks moved that the House Interim Committee on Education make no changes to the Adequacy Recommendations, adopted on November 22, 2016, and contained in the 2016 Adequacy Report.

Pursuant to the motion by Representative Eubanks, the motion was carried on a voice vote.

Prior to the vote on the Senate version, members of the Committees had a lengthy discussion on the process by which the previous Senate Adequacy recommendations were adopted.

Contributors to the Discussion:

Mr. Isaac Linam, Staff Attorney, Legal Services, Bureau of Legislative Research

Dr. Ivy Pfeffer, Assistant Commissioner of Human Resources, Arkansas Department of Education

Mr. Greg Rogers, Assistant Commissioner of Fiscal & Administrative Services, Arkansas Department of Education

Ms. Nell Smith, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research

Ms. Kathryn Walden, Legislative Analyst, Fiscal Services, Bureau of Legislative Research

Issues Included in the Discussion:

- comfort level with discussions and recommendations,

- controversy over funding for special education, for transportation, and for PLCs,
- statutory language for PD funding,
- school districts receiving grants for PLCs this year,
- rationale, historical development, and funding mechanism for PLCs,
- assessment being conducted by independent company to evaluate the PLC program in Arkansas schools,
- difference between team learning and PLCs; improving results for all students,
- school districts sharing information on successes,
- school districts receiving PLC grants with highest/lowest quartile of performers,
- school districts receiving PLC grants that are highest/lowest in poverty,
- concern that PLC funding is not going to school districts that need it the most,
- application process, with addition of technical assistance, to be started earlier this year in order to reach a broad representation of schools,
- putting PLCs in schools where there is a desperate need,
- necessity for legislators to communicate available funding opportunities,
- total number of students in school districts with PLC funding,
- rolling out a program without metrics of success,
- having a system in place for a rollout; having quicker dissemination of information,
- teachers frustrated by lack of parental involvement,
- effect of teachers' frustration on going through cycle of application for PLC funding,
- confusion over reasons for taking a vote on recommendations,
- confusion over language in recommendations,
- interaction between the Arkansas Department of Education (ADE) and local school districts,
- amount of funding in and recipients for the increase of PD funding,
- explanation for sole source contract with Solutions Tree for PLCs, and
- legal interpretation of *sole source provider*; and clarification on dispersal of PD funds.

The Honorable Jeremy Gillam, State Representative, District 45, and Speaker of the House, was recognized. Speaker Gillam spoke to concerns raised by Committee members regarding the PLC Program. He said the ADE worked diligently to make sure every school was aware of this opportunity. He offered not all schools indicated they wanted to be a part of it, some schools were not ready, some were ready and applied. He said that the schools that were chosen represented a broad array of student educational situations; and the ADE went out of its way to make sure the process was as fair as possible. He said that the PLC Program was implemented in the manner that it was to ensure that any issues that arose during the initial rollout could be addressed in a timely manner. Speaker Gillam called for patience and for not micro-managing the process. He requested the legislators to let the ADE do their job and to work alongside of them. He stated we have got time to get this right.

The Honorable Alan Clark, State Senator, District 13, was recognized. Senator Clark reviewed with the Committees the process used by the 2016 Senate Education Committee as it developed its recommendations for the 2016 Senate Education Committee's Adequacy Report. An extensive discussion of the intended outcomes and the actual outcomes ensued, focusing on the topics of special education, transportation, Professional Development (PD) funding, National School Lunch (NSL) [Poverty] funding, and teacher salary increases.

Relevant Action:

The Honorable Alan Clark, State Senator, District 13, was recognized. Senator Clark moved that the Adequacy Recommendations contained in the 2016 Senate Education Committee Adequacy Report be ratified, with two exceptions:

1. Transportation
Set at \$3 million the first year, plus \$3 million the second year equaling \$9 million, *not \$6 million*
2. Special Education
Set at \$2 million the first year, plus \$2 million the second year equaling \$6 million, *not \$4 million*

The motion was seconded by Senator Joyce Elliott.

Pursuant to the motion by Senator Clark, the motion was carried on a voice vote.

Mr. Mark Hudson, Senior Legislative Analyst, Bureau of Legislative Research, was recognized. Mr. Hudson stated the Senate Committee had amended its recommendation for Adequacy, while the House Committee had not. He noted that the recommendations from each Committee will go to the President Pro Tempore and to the Speaker, with a carbon copy to the Governor.

Relevant Action:

The Honorable Charlotte V. Douglas, State Representative, District 75, was recognized. Representative Douglas moved to expunge the vote by which the previous House motion was adopted.

No action was taken.

Handouts:

ACA 10-3-2104
Adequacy Study Responsibilities
Educational Adequacy 2016 House Recommendations
Educational Adequacy 2016 Senate Recommendations
EX C - Continuing Adequacy Evaluation Act of 2004
Matrix FY2017-2019

Discussion of Issues Related to Student Growth and Declining Enrollment Funding

Presenters:

Ms. Adrienne Beck, Legislative Analyst, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Utilizing charts and tables, Ms. Beck reviewed Student Growth Funding. She initially discussed Chart 1: Statewide Changes in ADM and Table 1: Largest Percentage Decreases and Increases in ADM. Ms. Beck then discussed Table 2: Student Growth Scenario; Table 3: Districts and Charters Receiving Student Growth Funding; Table 4: Highest Student Growth Payments; Table 5: Student Growth Funding and Expenditures – Districts; Table 6: Student Growth Funding and Expenditures – Charters; and Table 7: Student Growth Fund Balances.

Ms. Nell Smith, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research, was recognized. Ms. Smith briefly presented a historical perspective of Declining Enrollment Funding. She next discussed how declining enrollment is calculated, the three ways that calculations for declining enrollment funding and student growth funding differ, and the resulting impact on school districts. Ms. Smith reviewed Table 8: Declining Enrollment Scenario; Table 15: Funding Received in Example School District; and Table 16: Districts Eligible for Growth and Declining Enrollment Funding.

Contributor to the Discussion:

Mr. Greg Rogers, Assistant Commissioner of Fiscal & Administrative Services, Arkansas Department of Education

Issues Included in the Discussion:

- clarification of athletic funding spending,
- growth funding covering expansion,
- problems created by declining enrollment,
- whether foundation funding could be considered a reimbursement,
- problem with yo-yo effect of extra funding for increase/decrease in students,

- reasoning in the law behind not allowing both isolated funding and declining enrollment funding,
- need for two different formulas to reach a truer snapshot for funding, and
- having established levels for school districts to receive funding.

Handouts:

Declining Enrollment and Student Growth Funding, Bureau Brief
Review of Declining Enrollment and Student Growth Funding and Expenditures, Research Report

Representative Cozart announced that Item E, Discussion of Issues Related to Alternative Learning Environment (ALE) Categorical Funding, would not be taken up by the Committees today; but will be taken up at the next meeting.

Next Scheduled Meetings:

Wednesday, November 1, 2017 at 2:00 p.m. at the Gentry School District Career and Technical Education Center,
Gentry, AR - *Legislative Task Force on Workforce Education Excellence*
Monday, November 13, 2017 at 1:30 p.m. in the OSC, State Capitol, Little Rock- *Legislative Task Force on Workforce Education Excellence*
Monday, November 20, 2017 at 12:00 Noon in Room 272, State Capitol, Little Rock – *Education Caucus*
Monday, November 20, 2017 at 1:30 p.m. in Room 171, State Capitol, Little Rock – *Joint Education*
Tuesday, November 21, 2017 at 9:00 a.m. in Room 171, State Capitol, Little Rock – *Joint Education/Adequacy*

Adjournment:

The meeting adjourned at 12:33 p.m.

Approved: 11/20/2017