

MEETING ACTIONS

JOINT MEETING
OF THE
HOUSE AND SENATE INTERIM COMMITTEES ON EDUCATION

ADEQUACY

Tuesday, October 14, 2014
9:00 A.M.
Room 171, State Capitol
Little Rock, Arkansas

Senator Joyce Elliott, the Vice Chair of the Senate Interim Committee on Education, called the meeting to order at 9:00 a.m.

MEMBERS OF THE SENATE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Senator Joyce Elliott, Vice Chair; Senator Eddie Cheatham; Senator Alan Clark; Senator Bruce Holland; and Senator Uvalde Lindsey.

MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Ann Clemmer, Vice Chair; Representative Charles L. Armstrong; Representative Les Carnine; Representative Bruce Cozart; Representative Robert Dale; Representative Jody Dickinson; Representative Charlotte Vining Douglas; Representative Jon Eubanks; Representative Debra Hobbs; Representative Karen Hopper; Representative Sheilla Lampkin; Representative Homer Lenderman; Representative Mark Lowery; Representative James Ratliff; and Representative Brent Talley.

NON-VOTING MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Randy Alexander; and Representative Harold Copenhaver.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Jonathan Dismang; Senator Jane English; Representative Scott Baltz; Representative Bill Gossage; Representative John Hutchison; Representative Betty Overbey; and Representative Frederick Smith.

Morning Session

Remarks by the Co-Chairs

Senator Elliott stated that the aim of this meeting is to finalize the recommendations of the 2014 Adequacy Report in order for the Committees to meet their statutory obligations. She thanked the staff of the Bureau of Legislative Research (BLR) for their work.

The Honorable Ann Clemmer, State Representative, District 23, and Vice Chair of the House Interim Committee on Education, was recognized, and thanked the BLR staff for their work.

Discussion of Fiscal Issues Related to the 2014 Adequacy Report

Senator Elliott requested that Mr. Scott Richardson of the Attorney General's Office provide the Committees with a legal overview regarding Adequacy so that all members are on the same page about the Committees' obligations.

Presenter and Synopsis:

Mr. Scott Richardson, Senior Assistant Attorney General, Office of the Attorney General, was recognized. Mr. Richardson presented an historical overview of the legal issues related to Adequacy. He covered the state's

obligations regarding education under Article 14, Section 1 of the Arkansas State Constitution as defined in the Arkansas Supreme Court’s rulings in the *Lake View* litigation, including the responsibility to define what constitutes an adequate education. He noted that this is embodied in Arkansas Code Annotated 10-3-2101 et seq, which mandates the performance of a biennial adequacy review by the General Assembly’s Education Committees. Mr. Richardson went on to explain the two components of Adequacy funding: 1) education must be *the* priority matter in the budgeting process, and 2) education must be funded on need, not on the revenue available.

Discussion:

Members of the Senate Interim Committee on Education and the House Interim Committee on Education engaged in a discussion of procedures and analyzed recommendations prior to voting on each topic addressed in the Adequacy Study.

Contributors to Today’s Discussion:

- Mr. Mark Hudson**, Legislative Analyst, Bureau of Legislative Research
- Ms. Nell Smith**, Administrator, Policy Analysis and Research Section, Bureau of Legislative Research
- Dr. Charles Stein**, Director, Arkansas Division of Public School Academic Facilities and Transportation
- Mr. Richard Wilson**, Assistant Director, Research Services, Bureau of Legislative Research
- Mr. Tony Wood**, Commissioner, Arkansas Department of Education

Relevant Actions:

Senator Elliott stated the inflation factor was discussed at the last meeting, but a vote to accept a specific inflation factor was not taken, and that should be done properly before moving ahead. She said there would not be a recommendation today to use 2% across the board. However, she said, if it is used for any of the items today, it should have been accepted as the inflation factor. Senator Elliott added the option remains to consider its adjustment in the first or second year of the biennium.

1. MOTION to accept the inflation factor as 2%, where applicable
Pursuant to a motion by Senator Uvalde Lindsey, and without objection, the motion was carried.

Relevant Actions Pertinent to Line Items in the Foundation Funding/Matrix

SCHOOL-LEVEL PERSONNEL:

Topic	Recommendation	Funding Level
Classroom Teachers	No change to the staffing number Salary amount to be determined	To be determined
Special Education Teachers	No change to the staffing number Salary amount to be determined	To be determined
Instructional Facilitators	No change to the staffing number Salary amount to be determined	To be determined
Librarian/Media Specialist	Increase the staffing number to .85 per 500 students Salary amount to be determined	To be determined
Guidance Counselor/Nurse	No change to the staffing number Salary amount to be determined	To be determined
Principal	No change to the staffing number or the salary amount	FY16: \$198.10 FY17: \$198.10
Secretary	No change to the staffing number or the salary amount	FY16: \$80.10 FY17: \$80.10

2. MOTION to accept recommendations on School-Level Personnel
Pursuant to a motion by Representative Homer Lenderman, and without objection, the motion was carried.

SCHOOL-LEVEL RESOURCES

Technology	Increase the per-student technology funding by \$12.20 per student each year of the biennium	FY16: \$237.80 FY17: \$250.00
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3. MOTION to accept recommendations on Technology
Pursuant to a motion by Representative Robert Dale, and without objection, the motion was carried.

Instructional Materials	Continue funding levels as they are in FY16 and FY17	FY16: \$183.10 FY17: \$183.10
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4. MOTION to accept recommendations on Instructional Materials
Pursuant to a motion by Representative Bruce Cozart, and without objection, the motion was carried.

Extra Duty Funds	Increase by \$3.85 per student each year of the biennium	FY16: \$61.05 FY17: \$64.90
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5. MOTION to accept recommendations on Extra Duty Funds
Pursuant to a motion by Representative James Ratliff, and without objection, the motion was carried.

Supervisory Aides	Reduce the funding for supervisory aides to \$50 per student each year	FY16: \$50.00 FY17: \$50.00
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6. MOTION to leave funding for the Supervisory Aides line item flat for the next two years
Pursuant to a motion by Senator Eddie Cheatham, the motion fails on a voice vote.
7. MOTION to accept recommendations on Supervisory Aides
Pursuant to a motion by Representative Mark Lowery, and without objection, the motion was carried.

Substitutes	Increase the per-student funding for substitutes by 2% each year of the biennium	FY16: \$67.62 FY17: \$68.98
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8. MOTION to accept recommendations on Substitutes
Pursuant to a motion by Representative Bruce Cozart, and without objection, the motion was carried.

CARRY-FORWARD:

Operations and Maintenance	Increase the per-student funding for O&M by 2% for the first year of the biennium and continue that same funding level for FY17. The Education Committees recognize that additional O&M needs may be identified through further study of Broadband expenses. An adjustment in this line of the Matrix may be necessary in the 2016 Fiscal Session.	FY16: \$664.84 FY17: \$664.84
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9. MOTION to accept recommendations on Operations and Maintenance
Pursuant to a motion by Senator Uvalde Lindsey, and without objection, the motion was carried.

Central Office	Continue the current central office funding level for FY16 and increase it by 2% in FY17	FY16: \$430.20 FY17: \$438.80
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10. MOTION to accept recommendations on Central Office

Pursuant to a motion by Representative Bruce Cozart, and without objection, the motion was carried.

Transportation	Create a separate supplemental funding program for districts with high transportation costs. The funding amount should be established at the equivalent of 2% of the funding provided for transportation in FY15. Use the BLR funding distribution model to determine how much funding high-cost districts receive.	Matrix - FY16: \$321.20 FY 17: \$321.20 Supplemental - FY16: Equivalent of \$6.42 per student, or \$3 million FY17: Equivalent of \$6.42 per student, or \$3 million
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11. MOTION to accept recommendations on Transportation

Pursuant to a motion by Representative James Ratliff, and without objection, the motion was carried.

12. MOTION to make a recommendation that the 90th General Assembly include in its Adequacy Study the possible removal of the Transportation component from the Matrix and the development of a new transportation funding methodology

Pursuant to a motion by Representative Les Carnine, and without objection, the motion was carried.

CATEGORICALS:

National School Lunch (NSLA) Funding	Continue funding at the current levels	<70% NSL: \$517 70% to <90%: \$1,033 >90%: \$1,549
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13. MOTION to add a COLA increase to NSLA Funding for each year of the biennium

Pursuant to a motion by Representative Charlotte Vining Douglas, the motion fails on a voice vote.

14. MOTION to increase NSLA Funding by 2% in the first year and do a study; and increase it by 2% in the second year, contingent on the study validating that it is needed; reserving the possibility of revising it in the Fiscal Session

Pursuant to a motion by Representative Charlotte Vining Douglas, the motion fails on a voice vote.

15. MOTION to leave the NSLA Funding line item flat with the caveat of a study during the next biennium; reserving the possibility of revising it in the Fiscal Session

Pursuant to a motion by Representative Mark Lowery, and without objection, the motion was carried.

Professional Development (PD)	Continue funding at the current levels	FY16: \$32.40 FY17: \$32.40
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16. MOTION to accept the recommendation to restore the Professional Development funds

Pursuant to a motion by Senator Uvalde Lindsey, the motion was carried. There was a request for a roll call vote.

Roll Call Vote	Aye	Nay	Not Voting
Senate	1	3	3
House	1	11	8

The motion fails on a roll call vote.

17. MOTION to allow Professional Development to remain flat for the biennium

Pursuant to a motion by Representative Mark Lowery, and without objection, the motion was carried.

English Language Learners (ELL) Funding	Increase by 2% for each year of the biennium	FY16: \$324.00 FY17: \$331.00
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18. MOTION to accept recommendations on ELL

Pursuant to a motion by Representative Bruce Cozart, and without objection, the motion was carried.

Alternative Learning Environment (ALE) Funding	Increase by 2% for each year of the biennium	FY16: \$4,471 FY17: \$4,560
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19. MOTION to accept the recommendations on ALE

Pursuant to a motion by Representative Bruce Cozart, and without objection, the motion was carried.

Review of Other Items

Definition of Adequacy	No change
ACTAAP	Conduct a study of the amount of testing currently required in Arkansas schools
Curriculum Frameworks/Common Core	Conduct a study of the role and scope of technology in education
Fiscal Distress	No change
Academic Distress	No change
Facilities Distress	No change
ACSIP	Study the results of the ACSIP pilot program
State's Standing under No Child Left Behind (ESEA)	No change
Special Education Funding	No change
Teacher Salaries	To be discussed further with a recommendation to be provided in an amended version of the report
Partnership Program	No recommendation
Student Growth Funding	No change
Declining Enrollment Funding	No change, but conduct a study of declining enrollment funding in the next biennium
Isolated Funding	No change, but conduct a study of isolated funding in the next biennium

Relevant Actions Taken on Other Items

20. MOTION that the Committees make a recommendation for a review of the amount of testing required under ACTAAP

Pursuant to a motion by Representative Debra Hobbs, and without objection, the motion was carried.

21. MOTION to recommend charging a joint subcommittee with conducting the Adequacy Study and reporting to the full House and Senate Interim Committees on Education

Pursuant to a motion by Senator Uvalde Lindsey, the motion failed.

22. MOTION to accept the Facilities Report

Pursuant to a motion by Representative Ann Clemmer, and without objection, the motion was carried.

Representative Ann Clemmer was recognized and discussed the disparities that exist in teacher salaries between districts. She made a recommendation to increase the starting salary for a new teacher with a BA degree to \$31,000, and for those with a MA degree to \$35,650. Committee members conducted an in-depth discussion on the topic and on issues surrounding the recommendation. Representative Clemmer withdrew her recommendation.

Recess:

Senator Elliott announced at 12:35 p.m. that the Committees would recess for lunch.

Afternoon Session

Senator Elliott reconvened the meeting at 1:47 p.m.

Discussion:

Members of the House and Senate Interim Committees on Education engaged in a lengthy discussion of issues related to the topic of teacher salaries.

Issues Included in the Discussion:

- historical adjustments for inflation,
- structural change or use of COLA,
- whether 2% COLA has to be achieved,
- giving underperforming schools additional funding,
- including facilities in the 2% even though it's not in the Matrix,
- responsibility of school districts with regard to amount received from foundation funding for teacher salaries,
- NSLA funds going to salaries, and
- giving money to school districts outside the Matrix.

23. MOTION to accept the recommendations on the personnel-level salaries in the Matrix, with the acknowledgement that the Adequacy Report will be amended at a later date to reflect the Committees' final actions regarding this aspect of the report
Pursuant to a motion by Representative Carnine, and without objection, the motion was carried.

Handouts:

Adequacy Report, Volume 1, Revised Draft
Adequacy Report, Volume 1, Page 55
Matrix FY13-FY15, CORRECTED
Recommendations Discussion Framework
Recommendations Regarding Adequacy Issues Related to Academic Facilities, Memo
Statute on the Adequacy Report

Next Scheduled Meeting:

Monday, October 27, 2014, at 10:00 a.m. in Room 171 of the State Capitol in Little Rock

Adjournment:

The meeting adjourned at 2:52 p.m.

Approved: 10/27/14