

SUBJECT: Education administration, programs, and finance

DIGEST: Organization and Management

HB 72 as passed by the House would abolish the current 27-member State Board of Education. A transitional board would be appointed by the Governor from 15 districts. A Legislative Education Board would oversee education policy, nominate three persons from each of 15 districts for appointment, and name the chair of the board. All school districts would elect local board trustees on the first Saturday in April. In the April 1986 election, eight of the 15 appointed members would be replaced by elected members; the remaining seven would be replaced in the 1988 election. Election would be by majority vote; if necessary, any runoff would be held two weeks after the initial balloting.

The state board would have enhanced rulemaking authority and could hire and fire the commissioner of education at its discretion. The state board would no longer hear appeals from decisions of the commissioner. The commissioner would no longer review or reject textbooks, which would be adopted for a maximum six-year cycle.

The state board would follow statutory standards in reviewing school-district accreditation. A master could be appointed to oversee operations in a district that lost accreditation.

Students would not be required to begin classes before Sept. 1. Local school boards would publish comprehensive annual reports. The state board would establish standards for training of trustees. Plaintiffs who filed frivolous lawsuits against school districts or trustees could be ordered to pay defendants' costs.

Teachers

HB 72 would require testing of teachers and administrators on subject-area knowledge and basic skills. Teachers would have to pass the test by June 30, 1986, as a condition of further employment.

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DIGEST:
(continued)

The bill would replace the pay-grade index in current law with an 11-step state minimum-salary schedule. New teachers starting in September 1984 would be guaranteed an annual salary of \$15,200. Already-employed teachers would be placed on the lowest step on the new schedule providing at least a \$1,700 increase over their 1983-84 state minimum annual salaries. Teachers would receive a raise of \$1,140 annually thereafter until they reached the eleventh step.

HB 72 would give extra raises to teachers who advance on a new four-step career ladder. New teachers and most already-employed teachers would begin at ladder-level one in 1984. To advance, teachers would have to achieve specified appraisal ratings for specified numbers of years and obtain extra academic training.

The bill would mandate twice-yearly appraisals of the classroom performance of every teacher, to be conducted by specially trained teams--one administrator and one classroom teacher per appraisal. Teachers who could not meet statewide appraisal standards would be demoted or not rehired.

Teachers who excelled and met other requirements could move up the career ladder and earn supplements (above their state-supported minimum salaries) of \$2,000 at level two, \$4,000 at level three, and \$6,000 at level four. If a district's allotted career-ladder funding from the state did not cover full supplements for all eligible teachers, the district could reduce each supplement paid proportionally.

A teacher could not appeal a district's career-ladder-level assignment. Teachers transferring to a job in another district could not automatically keep their career-ladder levels.

HB 72 would permit state-board teacher certification of college graduates who had not completed a teacher-training program. Candidates would have to pass a competency test, serve a one-year internship, and take a number of teaching-methods courses. HB 72 would also allow local districts to hire noncertified mathematics and science professionals as part-time teachers, but only if no certified teachers were available.

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DIGEST:
(continued)

HB 72 would authorize increased payments after August 1984 to retired teachers and survivors of deceased teachers. The increases would be tied to length of service and would apply only below a \$25,000 retirement-account limit.

The bill would mandate rules for sanctions against substandard college teacher-education programs. It would require all college teacher-education programs to make annual performance reports to the state board.

The bill would direct the state board to solicit and dispense private donations and federal funds for education research and would authorize a matching state appropriation of up to \$5 million.

The bill would authorize loans from two funds to high-ranking college students enrolled in teacher education. It would allow fund administrators to cancel repayment if the borrowers teach in public schools for four years after obtaining certification.

Finance

The bill would eliminate the current school-finance mechanism, which distributes state money to districts primarily through a "personnel-unit" salary scheme, and replace it with a "basic-entitlement" mechanism. The state would give each school district a basic allotment of \$1,290 per school year for each student in average daily attendance. This basic allotment would be adjusted by a price-differential formula, to accommodate geographic variations in the cost of providing basic education. For those school districts with fewer than 3,000 students, the basic allotment would be further adjusted by a small-district formula. In addition to its adjusted basic allotment, each school district would receive special allotments for students enrolled in programs of special, bilingual, compensatory, and vocational education. School districts would also receive special allotments for experienced teachers, educational improvement and support for the career ladder, transportation, and enrichment equalization. The local share of the Foundation School Program would be based on the ratio of a district's property wealth to statewide property wealth. This ratio would be multiplied by a factor of 30 percent of total Foundation School Program

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DIGEST:
(continued)

costs. "Hold-harmless" provisions that reduce local funding obligations under current law would be eliminated. Equalization-transition aid would be granted to school districts that would receive less state aid in the 1984-85 school year under this new mechanism than they received in the 1983-84 school year.

Educational Quality

Students would have to maintain an average grade of at least 70 to advance to the next grade or receive credit for a course. Advanced-placement exams would allow students to skip a primary-school grade or a secondary-school course. Every district would be required to offer after-school tutorials, but no student would be required to attend. A student with more than five days of unexcused absences during a semester could not receive credit for a course.

Students would be tested for basic skills in the first, third, and seventh grades in addition to the current tests given in the third and ninth grades. A student could not receive a high-school diploma without scoring satisfactorily on all sections of a basic-skills test, although students could retake sections until they pass and remedial help would be offered.

Starting in the 1985-86 school year, every district with 15 or more disadvantaged or limited-English-proficiency four-year-olds would be required to offer half-day prekindergarten. Districts with bilingual-education and special-language programs would be required to offer optional, half-day intensive summer programs.

The average pupil-teacher ratio could not be more than 20 to one. A district could not enroll more than 23 students in any kindergarten or first- or second-grade class, starting in 1985-86. The same limit would apply to third- and fourth-grade classes starting in 1988-89.

The state board could limit extracurricular activities during the school day and school week. Students would have to maintain grades of 70 or better in every class in order to participate. The University Interscholastic League would be under the control of the state board.

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DIGEST: Each district would be required to have a discipline-
(continued) management program, including a student code of conduct
and measures to promote parental involvement. Every
district would be required to have an alternative
education program for incorrigible students. Drop-
out reduction programs would be encouraged, and the
Texas Department of Community Affairs could contract
with nonprofit organizations to develop such programs.

The state board would develop rules for vocational-
education programs and would review each program every
four years. Except in smaller districts, no vocational
program could be offered if initial enrollment was
below 30.

HSG ANALYSIS: The analysis of this bill appeared in the June 21
Daily Floor Report.

HOUSE On June 21, the House considered a complete substitute
FLOOR for HB 72 offered by the author of the bill, Rep. Bill
ACTION: Haley, in lieu of the Public Education Committee
substitute that had been reported on June 17. The
House adopted several amendments to the Haley floor
substitute, including: electing the State Board of
Education by majority vote rather than by plurality;
eliminating an alternative "certification of completion"
in place of a diploma for twelfth-grade students who
fail the basic-skills assessment test; adding a drop-
out reduction program; deleting compensation for local
school-board trustees; and expanding the areas of
school property where possession of alcoholic beverages
is illegal.

The Haley floor substitute included a career ladder
requiring less academic course work for teacher
advancement. The floor substitute contained no salary
schedule allowing yearly longevity raises; it permitted
raises for teachers only via advancement on the career
ladder. The House adopted an amendment by Rep. Peveto
that reinstated the 11-step salary schedule, with
career-ladder supplements, from earlier versions of
the bill, and allowed districts to decrease career-
ladder supplements if state funding should prove
insufficient to cover all eligible teachers.

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SENATE
ACTION:

The Senate considered the education package as a committee of the whole, having previously divided itself into four subcommittees to consider the main subject areas--management and organization, teachers, finance, and educational quality. As a committee of the whole, the Senate voted to delete a subcommittee recommendation that a smaller State Board of Education be appointed, then elected. The Senate committee of the whole also rejected, among other proposals, an amendment to add teacher-competency testing and a substitute school-finance plan, which would have based state aid on attendance rather than enrollment and would have decreased the aggregate local share of minimum school funding from 40 percent to 30 percent.

On June 22, the committee of the whole reported the bill to the Senate, which passed it the same day by a vote of 22 to nine. During floor consideration, the Senate considered a number of amendments. By a 16-to-15 vote, the Senate adopted an amendment abolishing the current State Board of Education and creating in its stead a 15-member, appointed board, with election of members to resume in 1988. By another 16-to-15 vote, the Senate chose to make the offering of prekindergarten classes by local districts optional rather than mandatory.

CONCURRENCE:

On June 22, the House did not concur with the Senate substitute for HB 72, and a conference committee was appointed.

COMPARISON
HOUSE/SENATE
VERSIONS:

Organization and Management

Both the House and Senate would have the Governor appoint a 15-member transitional State Board of Education. But the House would put eight board seats on the ballot in 1986 and seven in 1988; the Senate would have all 15 positions filled by election in 1988. The House would have a nonpartisan state-board election in April, coinciding with local-board elections to be held in all school districts. The Senate would not change local-board election dates and would retain partisan election of the state board during the general election in November of even-numbered years.

Both versions would create a Legislative Education Board, but the Senate specifies no duties for this LEB other than nomination of appointees to the transitional board, and the LEB would be abolished by Jan. 1, 1989.

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COMPARISON
HOUSE/SENATE
VERSIONS:
(continued)

House would give the proposed LEB general oversight duties and a separate staff, as well as the power to name the chair of the State Board of Education. The Senate would require the LEB to use Legislative Council staff and would have the Governor name the chair.

For the proposed changes in the state board, the House version includes a separate effective-date provision, dependent on U.S. Department of Justice preclearance of the changes under the federal Voting Rights Act. The Senate has no such provision.

The Senate would delete both the commissioner of education and the State Board of Education from the appeals process; the House would delete only the state board. Where the House would allow appeal to local district courts and would permit only substantial-evidence review, the Senate would require trial de novo in a district court in Travis County. The Senate would require that the commissioner of education be paid a salary commensurate with that paid the commissioner of higher education. The House version has no such provision.

The Senate would include school-trustee training and efforts to improve attendance in its standards for district accreditation; the House would not. The House would require school-board trustees to attend training sessions but includes no accreditation sanction.

The House would require that every district start its school year no earlier than Sept. 1; the Senate would not.

For frivolous lawsuits filed against a school district or employee, the House says that the defendant would be entitled to court costs and attorneys' fees. The Senate would make such an award discretionary and would exempt several types of suits.

The House version expands the types of school property where alcoholic beverages would be barred, allows lease-purchase of property and equipment by school districts, and prohibits Texas Education Agency offices outside of Austin. The Senate version includes none of these provisions but does provide for promulgation of administrative models that would encourage local districts to consolidate.

COMPARISON
HOUSE/SENATE
VERSIONS:
(continued)

Teachers

Both the House and Senate would replace the current state minimum teacher-salary index with an 11-step pay scale, raising teacher pay this year and allowing annual longevity raises for up to ten more years. Both would create a new four-level career ladder and authorize paying qualified teachers special \$2,000, \$4,000, and \$6,000 career-ladder supplements. The Senate would require districts to pay the supplements specified, even if state career-ladder funding did not suffice for supplements to eligible teachers. The House would allow districts in such cases to reduce supplements proportionally for all teachers.

The Senate would create a new certification system for career-ladder levels and allow teachers with graduate degrees to move up faster than would the House. The Senate would add a requirement to the career ladder--new teachers would serve a year's probation before moving to career-ladder level one.

The Senate would treat librarians as teachers for career-ladder purposes.

The House would require that teachers pass an examination on subject-area knowledge and basic skills by June 30, 1986, as a condition of continued employment. The Senate would require a similar examination, but only as part of an overall evaluation process.

Both versions mandate twice-yearly appraisals for all teachers. The House would require that an administrator and a classroom teacher be on every appraisal team. The Senate would require an administrator and another person authorized by the local school board.

The House would make district career-ladder assignments final and prohibit appeals. The Senate would permit appeals if the assignment was arbitrary and capricious or had been made in bad faith. The Senate version also specifies that the new provisions do not interfere with the current law governing teacher-contract renewal.

The House version says teachers could not automatically keep their place on the career ladder when changing to a job in a new district. The Senate says teachers are entitled to transfer their ladder assignments but allows teachers to waive their entitlement as part of the job-negotiation process.

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COMPARISON
HOUSE/SENATE
VERSIONS:
(continued)

The Senate would not prescribe qualifications and duties for superintendents and principals.

Both versions authorize creation of a new fund for educational research. The Senate would name it the Educational Excellence Fund.

Both the House and Senate would authorize aid covering tuition and fees for high-ranking college teacher-education students who teach for four years after obtaining certification. The House authorizes the aid in the form of loans from two funds. The Senate would grant the aid in loans from one fund and in scholarships from another fund. Like the loans, the scholarships would have to be repaid if students left teaching before four years elapsed.

Finance

The Senate version would base funding on average daily enrollment instead of average daily attendance. It would also increase the number of required days of instruction for students to 179 and reduce the number of required training days for teachers to four. The House requires 175 days of instruction for students and eight days of training for teachers.

The Senate would increase the basic allotment for each student from \$1,290 to \$1,715. The Senate would use a different price-differential index and states that the price-differential formula in the bill would be used for the 1984-85 school year. The House version states that the specified formula would be used until a different formula is adopted.

In the Senate version, the temporary small-district adjustment formula would expire on Sept. 1, 1987. The formula expires one year earlier under the House version.

In the Senate version, it would be the Legislature's stated intent that a district use at least 70 percent of its adjusted basic allotment plus the teacher-experience allotment on salaries for instructional personnel. The Senate would also state that under hardship conditions a school district could ask the commissioner of education to reduce that requirement to 60 percent of the adjusted basic allotment.

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COMPARISON
HOUSE/SENATE
VERSIONS:
(continued)

The Senate version would reduce the assigned weights for the special-education allotment and would add a special-education allotment for residential instruction. The House version would require the State Board of Education to adopt rules and procedures for residential placement. The House version would also require the board to conduct a study of the funding of special-education programs, making recommendations to the 69th Legislature regarding appropriate classifications and weights to be assigned to those classifications.

The Senate version would assign higher weights to compensatory and bilingual education. The Senate would also specify that up to 35 percent of the funds allotted for these programs could be used for general operating expenses and that no school district could receive funds under both allotments for the same student.

The Senate would change the experienced-teacher allotment formula by adding a .25 multiplier, in effect reducing the allotment by three-fourths. It would also create an additional special allotment for regional instructional support of \$1 per student.

The Senate would also use a different procedure to calculate a school district's allotment for vocational education.

The Senate would require the state board of education to recommend a price-differential index to the Legislature. The House states that the board itself will adopt the index and the formula. The Senate does not specify whether the board or Legislature will adopt the formula for years following the 1984-85 school year.

Under the Senate enrichment-equalization allotment, districts are eligible if their property wealth per student is less than the statewide average; under the House version, districts with property wealth up to 110 percent of the statewide average are eligible. The maximum entitlement under the Senate version would be 15 percent of the district's other Foundation School Program allotments. The House version's maximum entitlement would be 35 percent of the district's other Foundation School Program allotments. The Senate version would reduce a district's aid proportionately if its tax effort were below the statewide average; in the House version, tax effort is measured against a different standard.

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COMPARISON
HOUSE/SENATE
VERSIONS
(continued)

The Senate version would provide special aid for districts that have been declared a major disaster area by the Governor. The House version would not.

In the Senate version, the local share of the Foundation School Program would be figured by multiplying the ratio of a district's property wealth to statewide property wealth by a factor of 40 percent of total Foundation School Program costs, instead of 30 percent as in the House version. The Senate version would adjust a district's local share if its taxable property wealth declined by 8 percent from the prior year. The House version would not.

The Senate version would require a district to raise its effective tax rate by at least 8 percent above the 1983 level before it could receive equalization-transition aid. The House version does not impose this requirement.

Average daily attendance under the Senate version would be gauged by the best five six-week reporting periods. Under the House version, average daily attendance would be determined by the best four weeks of a specified eight-week attendance period.

Senate provisions with no counterpart in the House version include: transferring to the Foundation School Fund certain taxes now dedicated to the Available School Fund; earmarking for the Foundation School Fund certain escheated real property; altering and adding appropriations to the Texas Education Agency for fiscal year 1985; and making appropriations to other state agencies for fiscal year 1985 for implementation of the bill.

Educational Quality

The Senate would require a basic-skills test in the third grade in addition to the test now taken by fifth- and ninth-graders. The House would require such tests in the first and seventh grades as well, and it would require satisfactory performance on all sections of a final basic-skills test before a student could receive a high-school diploma. The Senate would require all grades to take "nationally norm-referenced achievement tests"; the House would not.

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COMPARISON
HOUSE/SENATE
VERSIONS:
(continued)

The House would require a district with 15 or more eligible four-year-olds to offer prekindergarten classes; the Senate would make those classes optional. The Senate would require every school district as of the 1988-89 school year to provide kindergarten classes; the House would not.

In the Senate version, a student with a grade below 70 would be required to attend an after-school tutorial at least twice a week; the House version says that the tutorial would have to be offered but the student would not be required to attend.

The Senate would phase in a class-size limit through grade four of 20 students per teacher; the House would phase in over the same period a class-size limit of 23 students for these grades. While the House would lower the permissible average pupil-teacher ratio for all grades to 20 to one, the Senate would retain the current allowable average of 25 to one.

The Senate would allow a waiver of the maximum of five absences per semester for students with grade averages of 90 to 100; the House would make no exceptions.

The Senate would change the compulsory-attendance law to require a minimum of 85 days rather than 82 for kindergarteners and prekindergarteners and a minimum of 170 days rather than 165 for all other pupils. The House version does not include such a provision.

The Senate would prohibit any extracurricular activities during the first seven hours of the school day. The House would allow such limits to be set by the state board.

The Senate discipline-management program gives more details than the House version concerning continuing education for a suspended student and specifically requires a due-process hearing prior to suspension or expulsion. Although both versions have a drop-out reduction program, the Senate bill would appropriate \$4.5 million to the Governor's office to fund new programs and \$1.5 million for research. The Senate also includes a detailed program for community-guidance centers; the House does not. The House would appropriate \$1.5 million in fiscal 1985 and 1986 for community-education programs; the Senate would not.

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COMPARISON
HOUSE/SENATE
VERSIONS:
(continued)

The House would not allow a vocational program to have fewer than 20 students enrolled. The Senate would require the state board to set such standards.

HOUSE
CONFEREES:

Haley, Colbert, C. Evans, Messer, Peveto

SENATE
CONFEREES:

Parker, Caperton, Farabee, Jones, Santiesteban

CONFERENCE
COMMITTEE
REPORT:

Organization and Management

The conference report would abolish the current 27-member State Board of Education and replace it with a transitional, appointed board with 15 members. The House and Senate versions had included 15 new state-board districts comprised of groupings of 10 state House of Representatives districts. The district groupings were the same in both bills except for two state House districts. The conference report includes a new plan, not found in either the House or Senate version, for the boundaries of the 15 districts.

The conference report includes the Senate provision for partisan election by district of all 15 state-board members at the general election in 1988. Retained is the House provision for a separate effective date for this section dependent on U.S. Justice Department preclearance under the federal Voting Rights Act. Local school-board election dates would not be changed.

The House version of the duties of the Legislative Education Board is included, except that the Legislative Council would provide staff for the LEB. The Governor, not the LEB, would name the chair of the State Board of Education, as in the Senate version.

The report adds new language empowering the state board to review the education commissioner's application of board rules.

For the TEA appeals process, the conference report would retain review by the commissioner and use of the substantial-evidence rule, as in the House version, but would require that appeals from the commissioner's decisions be taken to a district court in Travis County, as the Senate had provided.

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CONFERENCE The conference report includes the Senate school-
COMMITTEE district accreditation standards requiring school-
REPORT: trustee training and efforts to improve attendance.
(continued) It also retains the House requirement that trustees
attend training sessions using standards developed
by a State Board of Education advisory committee.

The House language on starting the school year no earlier than Sept. 1 is retained, with new language delaying implementation until the 1985-1986 school year.

The conference includes the Senate version of the frivolous-lawsuit provision.

The House provisions concerning alcoholic beverages on school property, lease-purchase, and a ban on Texas Education Agency offices outside of Austin are deleted, as is the Senate provision for administrative models. New language would authorize a \$1-million study by the LEB of the use of telecommunications in the public schools.

Teachers

The conference report adopts House language replacing the state minimum-salary index with an 11-step salary scale, raising teacher pay at least \$1,700 per year the first year and allowing annual longevity raises for up to ten more years. The conference report also retains the House version of the four-step career ladder, which would authorize paying qualified teachers special supplements of \$2,000 at level two, \$4,000 at level three, and \$6,000 at level four. The conference report adds language requiring that if state career-ladder funding is insufficient, districts could set up stricter performance criteria for earning the career-ladder supplements; districts could not reduce salary supplements to eligible teachers by more than 25 percent.

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CONFERENCE
COMMITTEE
REPORT:
(continued)

The conference report exempts state-licensed speech-language pathologists and audiologists from state-board certification requirements for educational aides and non-degree teachers.

The conference report strikes language in the House version allowing districts to terminate teachers or place them on probationary employment for inefficiency in performance of their duties.

The conference report retains a House provision requiring that teachers and administrators pass an examination on subject-area knowledge and basic skills by June 30, 1986, as a condition of continued employment. The conference report adds language authorizing the state board to exempt people who have already passed a similar or more difficult local examination.

The conference report also retains Senate language requiring that the state board create or adopt a second test for teachers--an "assessment instrument" to be used as part of the ongoing appraisal process for career-ladder assignments.

The conference report retains Senate criteria for the four-step career ladder for teachers, specifying requirements for career-ladder level entry and level maintenance, requiring twice-yearly teacher appraisals according to statewide criteria for career-ladder level assignments, and instituting five categories for judging teacher performance. The conference report retains House language permitting single annual appraisals in unusual circumstances and adds a provision that evaluations must be performed in the same manner and under the same criteria regardless of level. The conference report also retains the Senate's certification system for career-ladder levels and keeps the Senate's requirement that new teachers serve a year's probation before moving to career-ladder level one. Out-of-state teachers could enter the career-ladder level at locally determined career-ladder levels with a one-year probationary contract.

The conference report retains the Senate requirement that appraisal teams include an administrator and another person authorized by the local district, but it adds language specifying that whenever possible appraisers who are teachers should not come from the same campus as the teachers being evaluated.

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CONFERENCE The conference report adds language permitting
COMMITTEE already-employed teachers to be assigned to level
REPORT: one or level two of the career ladder in the
(continued) 1984-85 school year. The new language also authorizes
 creation of five-member local eligibility committees
 (three administrators, two level-two teachers) to
 make the assignments.

The conference report retains Senate language permitting appeals if career-ladder assignments are arbitrary and capricious or have been made in bad faith. It also keeps Senate language specifying that the new provisions do not interfere with current law governing teacher-contract renewal. The conference report retains Senate language that entitles teachers to transfer their career-ladder assignments when changing to jobs in new districts but that also allows teachers to waive their entitlement as part of the job-negotiation process.

The conference report retains House language prescribing the qualifications and duties of principals and superintendents and requiring that teachers teach a minimum of four hours in each school day.

The conference report adopts House language creating a new Private Donor Research Fund, authorizing certification of professionals who have not graduated from teacher-training programs, and permitting local districts to hire noncertified professionals as part-time teachers for mathematics and science courses if certified teachers are not available.

The conference report retains language in both bills authorizing cancelable loans to eligible teacher-education students, but it adds a \$5-million annual appropriations limit for the new loan fund.

Finance

The conference report would base funding on average daily attendance and adopts the House version's method of calculating it. The House version's requirement of 175 days of instruction for students and at least eight days of training for teachers is also included.

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CONFERENCE
COMMITTEE
REPORT:
(continued)

The basic allotment would remain at \$1,290 for the 1984-85 school year, as in the House version, but would increase to \$1,350 per school year thereafter. The conference report adopts the House version's price-differential allotment formula, but it would add a provision allowing more money for districts in counties with a high concentration of state employees. The committee report would also keep the House version's provisions for adopting the price-differential index and formula.

The conference report includes a new small-district adjustment, under which only those districts that contain at least 300 square miles and have no more than 1,600 students would have their basic allotment adjusted. The degree of adjustment would depend on each district's land area. The temporary small-district adjustment found in both House and Senate versions would be deleted.

The conference report also adds a sparsity adjustment that was not included in either the House or Senate bill. Districts with fewer than 130 students would receive an adjustment under this provision.

The Senate version's statement of intent that a district use at least 70 percent of its adjusted basic allotment plus experienced-teacher allotment on salaries for instructional personnel was not adopted.

The conference report includes the House version's special allotment for special education but increases the weight of the "self-contained, pregnant" category from 1.0 to 2.0. The conference bill also adds language requiring the State Board of Education to conduct a study of the funding of vocational, compensatory, and bilingual programs, in addition to special-education programs.

The conference report adopts the House version of the experienced-teacher, compensatory, bilingual, and vocational-education allotments. It would change the size of the education-improvement and career-ladder allotment, reducing the amount multiplied by a district's average daily attendance to \$100 for the 1984-85 school year, \$120 for the 1985-86 school year, and \$140 for the 1986-87 school year and thereafter. The conference report would also reduce initially the percentage of the allotment that must be spent on

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CONFERENCE
COMMITTEE
REPORT:
(continued)

career-ladder salary supplements; the full required percentage would be reached by Sept. 1, 1987, under the phase-in schedule specified in the bill.

The conference report would delete the Senate version's allotment for regional instructional support.

The conference report adopts the House version of the enrichment-equalization allotment but reduces the maximum entitlement to 30 percent of a district's other Foundation School Program allocations per student, starting with the 1985-86 school year. The conference report also adopts the Senate version's provision that would give special aid to districts declared a major disaster area by the Governor.

The conference bill includes the House version's provision for figuring the local share of the Foundation School Program costs, except that the ratio of a district's property wealth to statewide property wealth would be multiplied by a factor of 33.3 percent, starting with the 1985-86 school year. The conference report adopts the Senate provision that would adjust a district's local share if its taxable property wealth declined by 8 percent from the prior year.

The conference report adopts the House equalization-transition provision, except that eligibility would be based on the aid received by a school district in the previous year as compared to the current year, instead of the 1983-84 school year as compared to the 1984-85 school year. In addition, the amount appropriated for each school year would be increased to \$70 million for the 1984-85 school year, \$35 million for the 1985-86 school year, and \$17.5 million for the 1986-87 school year.

The conference report also adopts a Senate provision that requires the State Property Tax Board to conduct a study of taxable values in each school district for 1984.

The conference report adopts the Senate version's provisions transferring certain taxes to the Foundation School Fund and earmarking certain escheated real property for the Foundation School Fund. The conference report also adopts provisions altering and adding appropriations to certain state agencies for fiscal year 1985, but by different amounts.

CONFERENCE
COMMITTEE
REPORT:
(continued)

Educational Quality

The conference report retains the House requirement that students must pass all sections of a final basic-skills test in English and mathematics before they may receive a high-school diploma. School districts would be required to provide remedial instruction to students who fail the test. The conference report also retains the House requirement that students be tested for minimum basic-skills competencies in reading, writing, and mathematics in the first, third, fifth, seventh, and ninth grades, while deleting the Senate requirement that students take annual nationally-normed achievement tests.

The conference report retains the House requirement that districts with 15 or more eligible four-year-olds must offer prekindergarten classes. The state's share of the cost would be paid from the Foundation School Fund and could not exceed \$50 million per year. The bill would delete the Senate requirement that every school district must provide kindergarten classes.

In the conference version of the bill, school districts would be required to provide tutorial services, and could require any student with a failing grade to attend as often as determined by the district. (The Senate would have made attendance mandatory while the House would have made attendance voluntary.)

The conference report retains the House requirement lowering the permissible average pupil-teacher ratio for all grades to 20 to one, from the current average of 25 to one. The bill would phase in a class-size limit through grade four of 22 students per teacher, a compromise between the House and Senate versions.

The conference report retains the stricter House requirement with regard to limiting the allowable number of student absences. It retains the Senate requirement that students attend school for a minimum of 170 days per year (85 for kindergartners and pre-kindergartners), up from the current 165. As in the Senate version, students would be required to attend school until the end of the school year in which they reach the age of 16, replacing the current requirement that students attend until they turn 17.

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The State Board of Education would be required to limit, by rule, participation in and practices for extracurricular activities during the school day and the school week, as specified in the House version. The conference report adds new language strengthening the board's mandate to limit interruption of academic activities during the school day. The conference report also would have the new requirement that students failing a class be suspended from extracurricular activities take effect in the spring semester of 1985.

The bill includes the Senate version of how interscholastic league rules must conform to State Board of Education policies.

The conference report contains elements of both the House and Senate versions regarding discipline-management programs. It retains the more detailed Senate language concerning continuing education for a suspended student, as well as the Senate requirement of a due-process hearing prior to suspension or expulsion. The conference report includes new language authorizing summary expulsion of a student in certain cases. The bill would also include the Senate's detailed program for community-guidance centers.

The conference would delete the Senate's \$6-million appropriation for drop-out reduction programs and research, and it deletes the House's \$1.5-million appropriation for community-education programs.

The conference report retains the Senate requirement that the State Board of Education set enrollment standards for vocational programs, as opposed to the House version's specification of an enrollment limit.

NOTES:

The Senate adopted the conference report on HB 72 by a vote of 22 to nine on June 30.