

1 SB591
2 120700-1
3 By Senator Pittman
4 RFD: Finance and Taxation Education
5 First Read: 06-APR-10

SYNOPSIS: Section 16-13-231 of the Code of Alabama, 1975, requires local boards of education to annually provide ten mills of local school tax district ad valorem tax as a prerequisite to participating in the state's Foundation Program.

 This bill would provide that in complying with this funding prerequisite, no local board of education would be required to provide an amount greater than five percent (5%) of the total amount contributed during the prior fiscal year by local boards of education complying with this funding prerequisite.

A BILL
TO BE ENTITLED
AN ACT

To provide that in complying with the funding prerequisite found in Section 16-13-231 of the Code of Alabama, 1975, no local board of education would be required

1 to provide an amount greater than five percent (5%) of the
2 total amount contributed during the prior fiscal year by local
3 boards of education complying with such funding prerequisite.

4 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

5 Section 1. Section 16-13-231 of the Code of Alabama,
6 1975, is hereby amended to read as follows:

7 "§16-13-231.

8 (a) In addition to all other appropriations and
9 apportionments of public school money now provided by law and
10 made available for public schools there shall be apportioned
11 and paid to local boards of education from the Foundation
12 Program Fund, the amounts to be determined as hereinafter
13 provided and in accordance with regulations of the State Board
14 of Education. This Foundation Program Fund shall be used
15 principally:

16 (1) To aid in providing at least a 180 full
17 instructional day minimum school term; and,

18 (2) To assist in the promotion of educational
19 opportunity for all children in the public schools.

20 (b) The following requirements and procedures,
21 supplemented when necessary by regulations of the State Board
22 of Education, shall govern the apportionment of the fund:

23 (1) REQUIREMENTS FOR PARTICIPATING IN FUND. In order
24 for a local board of education to share in the apportionment
25 of the Foundation Program Fund and to receive the maximum
26 benefits therefrom, the board shall meet the following
27 conditions:

1 a. The appropriate local governing body must insure
2 that the local board of education within its jurisdiction is
3 receiving an amount of local tax receipts equivalent to ten
4 mills of school tax as computed from the most current assessed
5 valuation of property which comprises the school tax district
6 or districts of the local board of education. The State
7 Superintendent of Education shall determine compliance with
8 this provision of the law in accordance with rules or
9 procedures adopted by the State Board of Education. In
10 determining compliance for a county board of education, tax
11 revenues provided to the county board of education from the
12 county, from whatever tax source derived, shall be considered.
13 In determining compliance for a city board of education, tax
14 revenues provided to the city board of education by the county
15 and the city, from whatever tax source derived, shall be
16 considered.

17 b. In the expenditure of all funds available for the
18 Foundation Program as herein defined, the local board of
19 education shall as nearly as practicable provide the same
20 length of term in all schools.

21 c. The local board of education shall provide a
22 school term of at least 180 full instructional days beginning
23 with school year 2006-2007, or such part of that school term
24 as can be maintained by using funds available and as defined
25 by regulations of the State Board of Education. In case the
26 local board of education fails to operate any schools the
27 minimum 180 full instructional day term, or the minimum term

1 as defined by the State Board of Education, the Foundation
2 Program allowances of the local board of education shall be
3 computed only for the actual period the schools are in session
4 that school year.

5 d. The local board of education shall expend funds
6 for teachers' salaries in accordance with a salary schedule
7 adopted by the local board of education and approved by the
8 State Superintendent of Education. The salary schedule shall
9 be at least 100 percent of those salary amounts specified in
10 the State Minimum Salary Schedule by cell.

11 The local board of education shall allocate state
12 and local Foundation Program funds to each school in an
13 equitable manner, based on the needs of the students and the
14 schools, as reflected in the current year's actual student
15 populations, including at-risk students, students receiving
16 special education services, and students enrolled in
17 vocational/technical educational programs. The local board of
18 education shall report annually to the State Board of
19 Education on how all state and local funds for public
20 education, including Foundation Program funds and capital
21 outlay funds, have been allocated to each of its schools or
22 area vocational centers.

23 e. The local board of education shall submit to the
24 State Superintendent of Education, under the regulations of
25 the State Board of Education, the following:

26 1. A proposed building program which sets out in
27 detail the location of all present and proposed buildings;

1 which indicates proposed educational centers and grades to be
2 taught at these centers and which provides schools for all
3 children of the local board of education.

4 2. Except for those city boards of education not
5 maintaining a transportation system, a proposed transportation
6 program showing the proposed routing of buses and the
7 condition of all roads to be used for transportation.

8 3. A proposed professional development program which
9 sets out in detail the professional development needs of
10 employees of the local board of education.

11 4. A proposed technology program which sets out in
12 detail the proposed expenditures of technology funds.

13 5. A proposed program for the provision of services
14 to students with disabilities and gifted students in
15 compliance with applicable state and federal laws.

16 6. A proposed program for the provision of
17 vocational educational services in compliance with applicable
18 state and federal laws.

19 7. A proposed program for the provision of
20 educational services to at-risk students in compliance with
21 applicable state and federal laws. The proposed program for
22 at-risk students shall include the provision that all funds
23 allocated shall be spent for at-risk students.

24 f. The local board of education shall meet such
25 other standards as may be set up by the State Board of
26 Education to promote improved educational opportunity and
27 provide better schools.

1 (2) DETERMINING COST OF FOUNDATION PROGRAM. In
2 determining the cost of the Foundation Program, the
3 Legislature, based on the recommendation of the State Board of
4 Education, shall proceed to find the following allowable costs
5 for each local board of education: Teachers' salaries, fringe
6 benefits, classroom instructional support, and other current
7 expense. The rate per employee set by the Legislature for
8 teachers' retirement and employees' health insurance shall be
9 in effect for the entire fiscal year and shall not be
10 increased by the Teachers' Retirement System or the Public
11 Education Employees' Health Insurance Board, except by further
12 action of the Legislature.

13 a. The Foundation Program allowance for salaries of
14 teachers shall be determined as follows: The number of teacher
15 units allowed in Section 16-13-232 for each local board of
16 education shall be multiplied by the amount or amounts per
17 teacher unit, which amounts shall be based on the average
18 salaries for each major classification required by the
19 operation of the State Minimum Salary Schedule established by
20 the Legislature in the Education Trust Fund appropriation bill
21 and adopted by the State Board of Education. In recommending
22 to the Governor and the Legislature the State Minimum Salary
23 Schedule the State Board of Education shall give due
24 consideration to degree level, certification, and public
25 education experience. Any teacher, including, but not limited
26 to, a vocational education teacher, currently under contract

1 in excess of 187 days shall not have the term or salary of his
2 or her contract reduced as a result of this article.

3 b. The Foundation Program allowance for fringe
4 benefits shall be determined by multiplying a uniform
5 percentage times the amount of teachers' salaries allowed in
6 paragraph a. above or by multiplying a fixed rate depending on
7 the type of fringe benefit. The fringe benefits allowances
8 shall include amounts for the employer's contribution for
9 teachers' retirement, health insurance, Social Security,
10 Medicare, unemployment compensation, personal leave, and sick
11 leave. The fringe benefits allowance may include allowances
12 for other fringe benefits as may be approved by the State
13 Legislature. The State Legislature shall seek the input and
14 advice of appropriate agencies and individuals in setting
15 allowances. The Teachers' Retirement System and the Public
16 Education Employees' Health Insurance Board shall recommend to
17 the Legislature, on or before the first legislative day of
18 each regular session of the Legislature, the rate for the
19 following fiscal year. The Legislature shall set the rate in
20 the annual appropriation bill.

21 c. The Foundation Program allowance for classroom
22 instructional support shall be determined by multiplying a
23 uniform amount times the number of teacher units allowed in
24 Section 16-13-232. The uniform amount shall include allowances
25 for library enhancement, classroom materials and supplies,
26 professional development, and technology. The library
27 enhancement appropriation shall be for K-12 Public School

1 Library/Media Centers and is an absolute appropriation. Other
2 expenditures may include book binding, repair, CD Roms,
3 computer software, computer equipment, cataloging,
4 audio-visual materials, newspapers, magazines, recordings, and
5 video tapes. The uniform amount may include allowances for
6 other classroom instructional support as may be approved by
7 the State Board of Education. The Foundation Program allowance
8 for classroom instructional support shall also include an
9 allowance for textbooks which shall be determined on a per
10 pupil basis. The number of pupils shall be determined by the
11 number of pupils in average daily membership during the first
12 20 scholastic days after Labor Day of the preceding school
13 year. The State Board of Education shall recommend to the
14 Governor the amount for each cost factor included in classroom
15 instructional support on or before December 1 of the current
16 fiscal year for the ensuing fiscal year.

17 d. The Foundation Program allowance for other
18 current expense shall be determined by multiplying a uniform
19 amount by the number of earned units. The uniform amount shall
20 be recommended by the State Board of Education to the Governor
21 on or before December 1 of the current fiscal year for the
22 ensuing fiscal year.

23 e. The State Board of Education may cause, from time
24 to time, a study of allowances for teachers' salaries, fringe
25 benefits, classroom instructional support, and other current
26 expense of local boards of education to be conducted and,

1 based on the results of the study, may propose any necessary
2 changes to the Governor and Legislature.

3 f. The total cost of the Foundation Program for any
4 local board of education shall be the total allowed for
5 teachers' salaries, for fringe benefits, for classroom
6 instructional support, and for other current expense. The
7 allowances herein to the local boards of education shall be
8 expended subject to all applicable laws, rules, and
9 regulations; however, the total funds calculated in the total
10 cost of the Foundation Program for teachers' salaries shall be
11 expended for salaries within the instructional program.

12 (3) DETERMINING FUNDS AVAILABLE TO PROVIDE
13 FOUNDATION PROGRAM.

14 a. The funds available to meet the cost of the
15 Foundation Program shall be appropriated by the Legislature
16 taking into consideration an amount of local effort required
17 on the part of each local board of education. The required
18 local effort charged against each local board of education for
19 its share of the cost of the Foundation Program shall be as
20 follows:

21 1. For the 1995-96 fiscal year, the equivalent of
22 five mills of local school tax district ad valorem tax as
23 reported pursuant to subsection (b)(1)a.

24 2. For the 1996-97 fiscal year, the equivalent of
25 seven and one-half mills of local school tax district ad
26 valorem tax as reported pursuant to subsection (b)(1)a.

1 3. For the 1997-98 fiscal year, the equivalent of
2 ten mills of local school tax district ad valorem tax as
3 reported pursuant to subsection (b) (1) a.

4 4. For each fiscal year thereafter, the equivalent
5 of ten mills of local school tax district ad valorem tax as
6 reported pursuant to subsection (b) (1) a. However, beginning in
7 the fiscal year ending September 30, 2012, the required local
8 effort charged against a local board of education shall not
9 exceed five percent of the previous fiscal year's statewide
10 total equivalent of ten mills of local school tax district ad
11 valorem tax.

12 b. After calculating the total cost of the
13 Foundation Program for each local board of education, the
14 state allocation from the Education Trust Fund is calculated
15 by subtracting the local effort required by this section from
16 the total cost. Although the cost of the Foundation Program is
17 calculated for each school, the one sum allocation for each
18 local board of education shall flow monthly to the local board
19 of education. The state funds for the Foundation Program shall
20 be allotted by the State Board of Education consistent with
21 State Board of Education rules and regulations."

22 Section 2. This act shall become effective
23 immediately upon its passage and approval by the Governor, or
24 its otherwise becoming law.