

**A Chronology of Changes In The Structure
And Funding Of The Public Education System
In Arkansas From 1819 To 2007**

1819 The Territory of Arkansas was established, and the sixteenth section of each township was set aside for public education in keeping with federal law.

1829 The Territorial legislature's first education law was enacted. The law required county judges to appoint a trustee for the sixteenth section of land in each township.

1836 Arkansas achieved statehood. Students walked or rode horseback to school, school buildings were generally log cabins, teachers' salaries were meager, and books were a prized commodity. Education, almost entirely elementary, was financed by tuition payments from those who could afford it. This system of education continued, with little progress, until after the Civil War.

1860 At the beginning of the Civil War, Arkansas had 727 public schools, with 757 teachers. In addition, there were 109 "academies and other schools" with 168 teachers. There were four colleges (all private) with a total of nine teachers and 225 students.

1867 Following the Civil War, Governor Issac Murphy, a former school teacher, successfully promoted legislation to establish a 2 mill state property tax for the public schools and created the office of State Superintendent of Public Instruction. Teachers were required to be licensed, and schools were required to operate at least three months per year or forfeit state funds.

1874 A new state constitution was approved by the voters. Article XVI provided that "the State shall ever maintain a general suitable and efficient system of free schools for all persons between the ages of six and 21." The Constitution provided for the schools to be funded by a state property tax not to exceed two mills, a local option property tax up to five mills, and an annual per capita tax of one dollar on every male over the age of 21.

1899 The General Assembly created the Permanent School Fund by consolidation of the Sixteenth Section Fund, Seminary Land Fund, and the Saline Land Fund. At this time, there were only six high schools in the state.

1906 A constitutional amendment was approved which raised the permissible state property tax to 3 mills, and the local tax rate to 7 mills.

1909 The number of high schools in Arkansas had increased to 31.

1916 The permissible local property tax was raised to 12 mills. The financing of public education was generally a local matter.

1920 Most teachers licensed through a county examination. Few had attended college or completed four years of high school. Many one-room schools operated about six months per

year.

1925 Following WWI, the number of schools in Arkansas increased rapidly; and by 1925 the number of high schools totaled 290, with 27,255 students enrolled.

1926 Amendment 11 to the Constitution was approved, which provided for schools to be funded by a state property tax not to exceed three mills, a local option property tax up to 18 mills, and an annual per capita tax of one dollar on every male over the age of 21.

1927 There were 4,734 "poorly funded" school districts in Arkansas.

1927 The General Assembly enacted Act 28 of 1927 which established the first State Equalization Fund and required districts to meet established statewide standards. The permissible local property tax was raised to 18 mills, and the state provided additional financial aid to those districts that conformed to the standards. An incentive was provided to reorganize districts according to a countywide plan.

1927 Also, legislation was enacted, Act 119 of 1927, to relieve debt-ridden schools districts by loaning money to local districts to erect, repair, and equip school buildings and to pay outstanding debts. Loans were not made to districts which did not conform to a countywide reorganization plan.

1931 The General Assembly passed Omnibus Education legislation which formed the basis of much of the current school laws.

1932 The number of school districts in the United States totaled 127,531.

1933 The number of school districts in Arkansas was 3,086. A total of 1,648 school districts were consolidated between 1926-27 and 1932-33.

1935 The state legislature appropriated \$1 million to the public schools from monies raised from a new state sales tax.

1941 There were 2,799 school districts in Arkansas. The state legislature established the first minimum salary schedule for teachers (\$320 for teachers with 30 hours of less of college and \$600 for teachers with a bachelor's degree) and set an 18 mill minimum millage rate for school districts to qualify for state aid.

1941 Following the U. S. Supreme Court decision, *Alston v. School Board of the City of Norfolk* in 1940, which declared that racially identifiable salary differences for public school teachers was unconstitutional, salary disparities between white and black teachers remained significant even though both groups had about the same level of education. The average salary for black teachers was \$367 per year, and the average salary for white teachers was \$625. The median education level for black teachers was 2.5 years of college, and the median for white teachers was 2.6 years.

1947 The number of school districts in Arkansas had declined to 1,901. Nearly one-third of the districts did not offer high school classes.

1948 Initiated Act I was approved by the voters. The Act removed the local limit on school millage and ordered the consolidation of all school districts with student enrollments below 350.

1948 Amendment 40 to the Constitution was approved. The limit of 18 mills at the local level for the support of education was removed, and local citizens were permitted to levy any millage rate at the annual school election for public education at the school district level. The annual per capita tax of one dollar on every male above age 21 was continued.

1948 Silas Hunt, a wounded WWII veteran, became the first black student admitted to the University of Arkansas Law School, but the board's policy stipulated that black students would not sit with whites in lecture halls but would receive instruction through undefined segregated arrangements.

1951 The Minimum Budget Law, Act 278 of 1951, was enacted which allocated state finding based on classroom units on a pupil-teacher ratio of 28:1 in grades 1-6 and a pupil-teacher ratio of 24:1 in grades 7-12. A method of fiscal equalization using an index of fiscal ability was instituted to give poorer school districts greater access to resources. This act contained a "hold-harmless" feature which prevented districts from receiving less funds under the new formula than they had received under Act 451 of 1941.

1954 The U. S. Supreme Court declared that school segregation was unconstitutional.

1955 Max Howell sidetracked a bill in the legislature to mandate school segregation. School boards in Charleston and Fayetteville were the first in Arkansas to enroll black students through the junior high grades; and the Hoxie school board, in the face of hostile rallies led by people from outside the district, voluntarily desegregated the schools.

1956 The Cornell study of school financing in Arkansas was completed,

1957 The legislature enacted a new school finance law based on the Cornell study which resulted in a weighting system based on the ADA enrollment in various sized school districts. The local fiscal ability was based on an index using a number of factors. The new law continued a "hold-harmless" feature which prevented districts from receiving less than received the previous year.

1957 Amendment 47 was approved which prohibited the State from levying an ad valorem tax.

1957 The Little Rock school district enrolled its first black students with the protection of the National Guard and the 101st Airborne Division of the Army, and the Fayetteville school district suspended its desegregation schedule in response to the crises in Little Rock. There were 940 African-American students Out of a total black student population of 102,000 attending integrated public schools in Arkansas.

1958 Governor Faubus, after the U. S. Supreme Court reconfirmed on September 12, 1958, that

the Little Rock school district must continue to desegregate, closed down the high schools.

1965 There were 412 school districts in Arkansas.

1965 Act 404 was enacted by the General Assembly which changed the procedure for determining local wealth from an index to the assessed valuation of property.

1965 An Economic Expansion Study Commission, named by Governor Faubus, recommended that school districts be organized into modified county units.

1966 An Initiated Act was proposed by the AEA to consolidate all districts with fewer than 400 students. This failed overwhelmingly - defeated in every county..

1966 Amendment 53 was approved, which reaffirmed that the State shall ever maintain a general, suitable and efficient system of free public schools and permitted the expenditure of public funds for the education of persons over 21 years of age and under 6 years of age.

1966 There were 409 school districts in Arkansas, with 116 having fewer than 350 students.

1968 There were 395 districts in Arkansas.

1969 The first Quality Education Act was enacted. This froze the standards in place for ten years, and required the consolidation of districts that did not meet the standards.

1969 Act 449 provided a flat grant increase of \$130 per ADA, and every district was guaranteed at least 103 percent of the previous year's state aid regardless of ability to pay.

1970 The number of school districts in Arkansas totaled 384.

1971 Act 376, the School Finance Act, was approved which carried forward the guarantee provision with an exception that districts which lost at least 100 students or 10 percent of their enrollment would receive a proportionate reduction in state aid. The act required that 75 percent of the increase in state aid be earmarked for salaries, and 25 percent for operation.

1975 The number of school districts in the United States totaled 16,568 - down from 127,531 in 1932.

1976 The Economic Development Study Commission, created by Governor Pryor, called for school district reorganization.

1977 The number of school districts in Arkansas totaled 385 - down from 3,086 districts in 1933. Fourteen districts did not operate high schools.

1977 The Equalization Aid Act of 1977 (Act 384) was enacted. The Act, which contained no "weighting" for high-cost categorical programs, provided for Basic Aid, Equalization Aid, and

Categorical Grants. Equalization funding was distributed on a 2.5 to 1 ratio, with the poorest district received 2.5 times as much state aid as the richest district.

1978 The **Alexander Study** was conducted which concluded that "by almost any standard, the Arkansas system of education must be regarded as inadequate." Alexander recommended a new school finance formula and suggested school consolidation as a way for the state to operate public education more efficiently.

1980 The number of school districts in Arkansas totaled 373.

1980 Amendment 59 was approved which made numerous changes in the assessment and collection of property taxes and provided for millage rollbacks following county-wide property reappraisals.

1980 Initiated Act 1, sponsored by the Arkansas Education Association, was proposed to establish educational standards for all school district. It was defeated by a vote of 352,636 to 277,839.

1981 The Arkansas Supreme Court, in the case of *Alma v. Dupree*, declared that the school finance system was inequitable and unconstitutional.

1983 A second Quality Education Act was enacted which established the current state standards. At the time, there were 370 school districts in Arkansas.

1983 A State Committee on Education, chaired by Hillary Clinton, conducted public hearings in all counties and developed educational standards to be required of all school districts. Districts that could not meet the standards were to be reorganized.

1983 Act 61 was enacted by the General Assembly which allowed school districts to operate with grades K-8.

1986 The number of school districts in Arkansas totaled 341, following the close of 29 districts which could not meet the requirements of the Quality Education Act.

1985? **The Governor's Task Force on Financial Management of Arkansas Schools** calculated that \$50 million could be saved by merging the state's school districts into 100-110 units.

1990 **A+ Arkansas, The Committee For Educational Excellence**, comprised of many of the state's top business leaders, considered proposing an Initiated Act in the 1992 elections to consolidate school districts, but backed away from the proposal after conducting some public opinion polling and discussions with state policymakers.

1992 Lake View School District in Phillips County files suit alleging unconstitutional disparities in public school funding for wealthy and low-income school districts.

1994 Pulaski County Chancery Court, Judge Annabelle Clinton Imber, rules the Arkansas system of public school finance inequitable and unconstitutional. The order gives the General Assembly two years to enact legislation that conforms with her opinion.

1995 The Arkansas General Assembly enacted a new school funding formula, which guaranteed that all districts shall receive at least 80 percent of the funding per student as the state's 95th percentile district, and provided for the first time state funding for facilities.

1995 Amendment 74 to the Constitution was approved which required that each school district levy at least 25 mills for maintenance and operations.

1998 The Murphy Commission conducted a study of education in Arkansas and made a series of recommendations, including the reorganization of school districts into more efficient units. The report "*Streamlining and Cost-Saving Opportunities In Arkansas Public K-12 Education System*" recommended restructuring the state's 311 school districts into 134 "administrative units."

1998 "*Lake View I*" Pulaski County Chancery Court, Judge Collins Kilgore, dismisses the case without a trial (after the General Assembly changed the system of funding public education to a per-student method in Acts 916 and 917 of 1995, and after the passage of Amendment 74 in 1995).

2001 Chancery Court Judge Collins Kilgore, in the case of *Lake View v. Huckabee*, declared that the present system of financing education in Arkansas is inequitable and inadequate and therefore unconstitutional. The case is on appeal before the Arkansas Supreme Court.

2001 The General Assembly enacted legislation to create a **State Advisory Committee to the Department of Education** and a **Blue-Ribbon Commission** to study the state's educational system and to make recommendations to the Governor and General Assembly in 2002.

2001 At the present time, there are 310 school districts in Arkansas - a reduction of 60 school districts since the current standards were put in place in 1983.

2002 "*Lake View III*" On the state's appeal of the 2001 chancery court decision, the Arkansas Supreme Court holds that the public school funding system is unconstitutional, but delays issuing its mandate until January 1, 2004 to allow the General Assembly time to address the court's findings. The court identifies the following as reasons for constitutional deficiency:

- (1) Department of Education's failure to conduct an adequacy study or to define adequacy;
- (2) "Abysmal" Arkansas educational rankings;
- (3) Low benchmark scores;
- (4) Need for Arkansas student remediation in college;
- (5) Teacher salaries not comparable to surrounding states;
- (6) Disparities in teacher salaries within the state;
- (7) Recruitment and retention of quality teachers;
- (8) Special needs of poverty level students, including English language learners;

- (9) Needs of school districts in low-income areas (for improved and advanced curriculum, quality teachers, and adequate facilities, supplies, and equipment); and
- (10) Needs of school districts in high enrollment growth areas.

The court finds that it is the state's responsibility to:

- (1) Define adequacy;
- (2) Assess, evaluate and monitor the entire spectrum of public education; and
- (3) Know how state revenues are spent and whether true equality in education is being achieved.

2003 Governor Huckabee presented a plan to the General Assembly to reorganize the state's school districts into larger units. The Arkansas Chamber of Commerce released a position statement on school reform, calling for greater efficiency in school district organization.

2003 On July 1, 2003, the number of school districts declined from 310 to 308 with the consolidation of Lewisville and Stamps school districts and the annexation of the Witt Springs School District by the Marshall District.

2003 The State enacted legislation to create two state study committees composed of legislative leaders to formulate recommendations and report to the General Assembly. The Educational Adequacy Committee employed the consulting firm of Picus and Associates and is required to complete its work by August 31. The School Facilities committee is to report by December 31.

2003 The General Assembly convened a special legislative session to address educational issues on December 8, 2003. The session ended 61 days later on February 6, 2004 - a record for a special session. A total of 73 bills were enacted into law, including a new funding formula, a comprehensive assessment and accountability program, and a school district restructuring mandate to eliminate all school districts with fewer than 350 students. In addition, the General Assembly enacted new taxes to generate approximately \$400 million in new revenue for education.

2004 Arkansas Supreme Court issues its mandate.

2004, the court recalls its mandate on the motion of Lake View School District and orders parties to file responses and briefs.

2004 Arkansas Supreme Court appoints Special Masters and maintains jurisdiction of the case.

2004 The Special Masters file their Report.

2004 Arkansas Supreme Court releases jurisdiction and issues its mandate, holding that some deficiencies still needed to be addressed, but that the General Assembly adequately addressed the issue of unconstitutional disparity in teacher pay.

The court also finds that "substantially equal" educational opportunity to all school children does not require identical curricula, facilities, and equipment in all school districts.

2005 Intervenor School Districts (Rogers, Little Rock) and Barton-Lexa (successor to Lake View) file a Motion to Recall Mandate, and the Arkansas Supreme Court permits oral arguments on the motion.

2005 Arkansas Supreme Court recalls its mandate and reappoints the Special Masters.

2005 The Special Masters file their Report.

2005 Arkansas Supreme Court holds that General Assembly inaction with respect to determining public education funding needs violated constitutional school funding requirements, but stays its mandate until December 1, 2006 to allow General Assembly and Department of Education time to correct constitutional deficiencies in public school funding.

The court (in agreement with the Special Masters) finds:

- (1) The General Assembly did not comply with Act 57 (adequacy study for 2005-2006) - the "lynchpin for achieving adequacy in public education" – and thus retreated from its prior actions to comply with *Lake View III*;
- (2) Education needs were not funded first;
- (3) Foundation funding aid and categorical funding were based on funds available not on what was needed, and that the General Assembly must immediately assess what is needed to fix funding levels for the current biennium;
- (4) School districts faced unfunded mandates;
- (5) Some school districts would be unable to meet the financial responsibility for the facilities partnership program, and the \$120 million appropriated for the biennium for facilities was not enough;
- (6) School districts do not receive equal funding when the state foundation funding aid formula assumes a 98% collection rate for the uniform rate of tax;
- (7) NSL funding calculations do not account for an increase or decrease in the average daily number of students; and
- (8) The funding formula does not address the economic stability of school districts that lose students.

2006 Intervenor School Districts (Rogers, Barton-Lexa, Little Rock, and Pulaski County Special School District) move the court to defer the issuance of the mandate and appoint Special Masters to evaluate whether the General Assembly and the Department of Education have cured the constitutional deficiencies referenced in the December 2005 opinion.

The Arkansas Supreme Court requests that the Special Masters determine what actions have been taken by the General Assembly since the December 2005 opinion. The court defers the issuance of its mandate for 180 days.

2007 The Joint Report of the Parties is filed setting out the actions of the General Assembly and expressing the agreement of the parties on many of the issues.

2007 The Special Masters file their Interim Report.

2007 Arkansas Supreme Court adopts the Special Masters' Interim Report, declares the Arkansas public school funding system constitutional, and issues its mandate.

Note: This summary of events affecting public education in Arkansas was gleaned from the Arkansas Constitution, the 1978 **Alexander Report**, the Murphy Commission Report, various state laws, and other reports and documents. The original document was compiled by Dr. Kellar Noggle, who served as the Executive Director of the Arkansas Association of Educational Administrators from 1976-2005. Subsequent additions have been made by the staff of the Bureau of Legislative Research.

Addendum

2009 Act 199 provided that before a fiscal session, the House Committee on Education and the Senate Committee on Education, meeting jointly or separately, shall review any funding recommendations of the most recent adequacy report filed under § 10-3-2104, and if needed, present a report with additional recommendations to the General Assembly by September 1.

2011 Act 725 amended the Continuing Adequacy Evaluation Act of 2004 to:

- (1) add a requirement to include in the biennial adequacy study a review of recent legislation and rules that could affect public school funding under adequacy;
- (2) require a draft of the report to be published for review fourteen (14) days before it is sent to the General Assembly; and
- (3) change the reporting date from September 1 to November 1 before a regular session.

2011 Act 1209 established the Teacher Excellence and Support System, A.C.A. 6- 17-2801 et seq., a statewide teacher evaluation and support program based on nationally recognized performance categories and descriptors to be implemented by all schools by the 2014-2015 school year. The act provides that the system:

- (1) uses student performance and growth measures as part of a teacher's summative evaluation;
- (2) requires the use of evidence of the teacher's performance and student performance;
- (3) requires classroom observation with pre- and post-observation conferences;
- (4) provides an opportunity for discussion of the evaluation and feedback;
- (5) requires professional learning plans to be developed collaboratively between the teacher and an evaluator;
- (6) provides ongoing support to help teachers improve teaching practices;
- (7) creates an intensive support status for teachers who receive an "unsatisfactory" rating on an evaluation;
- (8) requires novice teacher induction and mentoring; and
- (9) creates a pilot program before final implementation of the system.

2011 The number of school districts declined from 308 in 2003 to 239 in 2011.