

The Senate Education and Youth Committee offered the following substitute to HB 192:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,  
2 relating to the "Quality Basic Education Act," so as to establish the State Education Finance  
3 Study Commission to evaluate the Quality Basic Education Formula and education funding  
4 for public schools; to provide for legislative findings; to provide for composition of the  
5 commission; to provide for compensation of the members of the commission; to provide for  
6 duties and powers; to provide for support staff; to provide for a timeline; to provide for  
7 automatic repeal on a certain date; to provide for related matters; to provide an effective date;  
8 to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to the  
12 "Quality Basic Education Act," is amended by adding a new part to read as follows:

13 "Part 17

14 20-2-330.

15 The General Assembly passed the Quality Basic Education Act (QBE) in 1985 by  
16 unanimous vote. The legislation was the culmination of two years of work by the  
17 Education Review Commission, a body made up of business leaders, parents, teachers,  
18 education experts, and other community leaders, which was charged with developing a  
19 comprehensive educational reform package for Georgia. The QBE Formula, along with  
20 several other formula related components, has served as the method of calculating the  
21 funding needs of Georgia school systems for the past 25 years. The General Assembly has  
22 now determined that it is in the best interests of the state and its citizenry to undertake a  
23 comprehensive study of the method of funding schools in Georgia.

24 20-2-331.

25 (a) The State Education Finance Study Commission is hereby created to evaluate the  
 26 Quality Basic Education Formula and any other program or matter relative to education  
 27 funding in Georgia as provided in this part. Members of the commission should have good  
 28 working knowledge of education and education finance. Members must be willing to  
 29 commit time to actively participate in full committee meetings and subcommittee meetings  
 30 and must agree to balance the educational needs of children and the resources provided by  
 31 the citizens of Georgia. The commission shall be composed of 20 members as follows:

32 (1) The following members, appointed by the Governor:

33 (A) A local school superintendent;

34 (B) A principal or other administrator;

35 (C) A teacher;

36 (D) A member of a local board of education;

37 (E) A member of the State Board of Education;

38 (F) A representative from the System Office of the University System of Georgia;

39 (G) A representative from the Technical College System of Georgia;

40 (H) A representative from the Professional Standards Commission;

41 (I) A school finance officer; and

42 (J) One representative from the business community;

43 (2) The State School Superintendent;

44 (3) The chief financial officer of the Department of Education;

45 (4) Four members of the House of Representatives, appointed by the Speaker of the  
 46 House of Representatives, including the chairperson of the House Committee on  
 47 Education; and

48 (5) Four members of the Senate, appointed by the Lieutenant Governor, including the  
 49 chairperson of the Senate Education and Youth Committee.

50 (b) The chairpersons of the House Committee on Education and the Senate Education and  
 51 Youth Committee shall serve as cochairpersons of the commission. The commission may  
 52 elect other officers as deemed necessary. The cochairpersons may designate and appoint  
 53 subcommittees from among the membership of the commission as well as appoint other  
 54 persons to perform such functions as they may determine to be necessary as relevant to and  
 55 consistent with this part. The cochairpersons shall only vote to break a tie.

56 (c) The commission may engage additional ad hoc nonvoting members as needed to  
 57 address certain issues in subcommittee. This may include, but not be limited to, input from  
 58 various personnel experienced in the Quality Basic Education Formula, such as counselors,  
 59 pre-K personnel, special education teachers, social workers, psychologists, art teachers,  
 60 music teachers, physical education teachers, foreign language teachers, agriculture and

61 career-technical education teachers, media specialists, school nutrition managers, and  
 62 transportation managers.

63 (d) The cochairpersons shall be authorized to appoint a steering committee composed of  
 64 members of the commission to monitor the progress of the commission, to ensure timelines  
 65 are being met, and to mediate differences that might arise in the course of the study.

66 20-2-332.

67 (a) The commission shall hold meetings at the call of the cochairpersons. The commission  
 68 shall meet at least quarterly and subcommittees shall meet as often as needed to complete  
 69 tasks.

70 (b) A quorum for transacting business shall be a majority of the members of the  
 71 commission.

72 (c) Any legislative members of the commission shall receive the allowances provided for  
 73 in Code Section 28-1-8. Citizen members shall receive a daily expense allowance in the  
 74 amount specified in subsection (b) of Code Section 45-7-21 as well as the mileage or  
 75 transportation allowance authorized for state employees. Any members of the commission  
 76 who are state officials, other than legislative members, and state employees shall receive  
 77 no compensation for their services on the commission, but they shall be reimbursed for  
 78 expenses incurred by them in the performance of their duties as members of the  
 79 commission in the same manner as they are reimbursed for expenses in their capacities as  
 80 state officials or employees. The funds necessary for the reimbursement of the expenses  
 81 of state officials, other than legislative members, and state employees shall come from  
 82 funds appropriated to or otherwise available to their respective departments. All other  
 83 funds necessary to carry out the provisions of this part shall come from funds appropriated  
 84 to the House of Representatives and the Senate.

85 20-2-333.

86 (a) The commission shall study and evaluate the cost and resources needed to educate a  
 87 child through review of the following core issues relating to education financing;

88 (1) **QBE Formula:**

89 (A) Evaluate the various components of the formula, including teacher salaries,  
 90 maintenance and operations, and textbooks, and determine whether there needs to be  
 91 adjustments;

92 (B) Consider whether new components should be added to the formula, such as  
 93 technology;

94 (C) Consider whether other programs that have been proven successful should be  
 95 added to the formula, such as graduation coaches; and

96 (D) Review other areas within the QBE Act that relate to or impact school funding,  
 97 such as maximum class sizes and expenditure controls, and whether local school  
 98 systems should continue to be given flexibility in these areas;

99 (2) **State and local funding partnership:** Examine the requirement that school systems  
 100 must levy 5 mills in order to draw down state QBE funding and whether the current  
 101 method should continue or whether school systems should be required to pay a certain  
 102 percentage of the formula or for certain expenditures;

103 (3) **Equalization:** Examine the equalization grant to determine if the purpose of the grant  
 104 is being met and whether revisions are needed;

105 (4) **Student transportation:**

106 (A) Review the current formula for student transportation; and

107 (B) Review other safety issues related to student transportation, such as funding bus  
 108 monitors and seat belts;

109 (5) **State schools funding:** Examine funding for the three schools for blind and deaf  
 110 children operated by the state to identify needed changes in the funding method, whether  
 111 additional funding for residential, medical, and other costs unique to the schools should  
 112 be provided, and whether local school systems should be contributing to the cost of  
 113 educating these children; and

114 (6) **Capital outlay:**

115 (A) Review the capital outlay programs for which school systems may be eligible to  
 116 ensure that each program is effective and adequately funded; and

117 (B) Because the program is currently scheduled to sunset on June 30, 2015,  
 118 recommend whether and how long the program should be extended.

119 (b) The commission is encouraged, if time permits, to study and evaluate the following  
 120 issues relating to education financing;

121 (1) **Charter schools:**

122 (A) Review Georgia's charter laws and determine what changes may need to be made  
 123 to streamline the chartering process and provide fair funding for the various types of  
 124 charter schools; and

125 (B) Examine the issue of funding for operations and facilities;

126 (2) **Career, Technical, and Agriculture Education, dual enrollment, virtual schools:**

127 (A) Review the various funding mechanisms for each of these nontraditional programs;  
 128 and

129 (B) Consider the costs of administering these types of programs and the appropriate  
 130 funding mechanism;

131 (3) **Teacher pay:**

132 (A) Review the issue of whether performance pay should be implemented;

133 (B) Determine how such a program could be sustained long-term; and  
 134 (C) Review the requirements of the federal Race to the Top initiative and how the state  
 135 may be required to implement performance pay;

136 (4) **Non-QBE grants:**

137 (A) Review other grant programs available to school systems, including but not limited  
 138 to school nutrition, sparsity grants, migrant education, preschool disabled, the severely  
 139 and emotionally disturbed program, and school nurses; and

140 (B) Make recommendations on funding updates that are needed; and

141 (5) **Other Title 20 revisions:** Review all key statutes and provisions of this title to  
 142 ensure laws are updated and whether any laws which represent an unfunded mandate  
 143 should be eliminated.

144 (c) The commission shall have the following powers:

145 (1) To request and receive data from and review the records of appropriate agencies and  
 146 entities to the greatest extent allowed by state and federal law;

147 (2) To accept public or private grants, devises, and bequests;

148 (3) To enter into all contracts or agreements necessary or incidental to the performance  
 149 of its duties; and

150 (4) To conduct studies, collect data, or take any other action the commission deems  
 151 necessary to fulfill its responsibilities.

152 (d) The commission shall be authorized to retain the services of auditors, attorneys,  
 153 financial consultants, education experts, economists, and other individuals or firms as  
 154 determined appropriate by the commission.

155 20-2-333.1.

156 (a) Staff support for the commission shall be provided by the Department of Education,  
 157 the Governor's office, the Office of Planning and Budget, the House of Representatives,  
 158 the Senate, and the Office of Legislative Counsel. The cochairpersons of the commission  
 159 shall designate an individual to serve as staff director for the commission.

160 (b) The commission may request assistance and input from agencies and organizations as  
 161 needed, including the University System of Georgia, the Technical College System of  
 162 Georgia, the Professional Standards Commission, the Georgia Student Finance  
 163 Commission, the Department of Early Care and Learning, the Office of Student  
 164 Achievement, the Georgia Partnership for Excellence in Education, the Georgia School  
 165 Superintendents Association, the Georgia School Boards Association, the Georgia  
 166 Association of Educational Leaders, the Georgia Association of Educators, the Professional  
 167 Association of Georgia Educators, the Southern Regional Education Board, the Georgia

168 Charter Schools Association, private corporations, and other organizations willing to  
 169 participate.

170 20-2-333.2.

171 (a) The commission shall perform its work in accordance with the following:

172 (1) No later than May 15, 2011: Commission members appointed;

173 (2) No later than June 30, 2011: First commission meeting conducted;

174 (3) September 30, 2011: Interim recommendations completed;

175 (4) December 31, 2011: Proposed legislation for interim recommendations completed;

176 (5) September 30, 2012: Final recommendations completed; and

177 (6) December 31, 2012: Proposed legislation for final recommendations completed.

178 (b) Such recommendations and proposed legislation shall be submitted by the commission  
 179 in accordance with the schedule in subsection (a) of this Code section to the Governor and  
 180 the General Assembly; provided, however, that the commission may modify these dates  
 181 if necessary.

182 (c) The final recommendations shall include a prioritization of all recommendations,  
 183 including those that do and do not require additional funding. Such final recommendations  
 184 shall include a proposed timeline for implementation of recommendations, an estimated  
 185 cost of each recommendation, and the target year for including in the state budget.

186 20-2-333.3.

187 The commission shall stand abolished and this part shall be repealed on March 31, 2013."

188 **SECTION 2.**

189 This Act shall become effective upon its approval by the Governor or upon its becoming law  
 190 without such approval.

191 **SECTION 3.**

192 All laws and parts of laws in conflict with this Act are repealed.