

The Senate Committee on Education and Youth offered the following substitute to SB 374:

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia
2 Annotated, relating to financing under the "Quality Basic Education Act," so as to authorize
3 a pilot program for the 2016-2017 school year to provide for consolidated federal, state, and
4 local funds; to provide for the purposes of the pilot program; to provide for temporary
5 waivers of certain financial reporting requirements for pilot school systems; to provide for
6 reports on the pilot program; to provide for related matters; to provide for automatic repeal;
7 to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 SECTION 1.

10 Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,
11 relating to financing under the "Quality Basic Education Act," is amended by adding a new
12 Code section to read as follows:

13 "20-2-172.

14 (a) For the 2016-2017 school year only, the Department of Education shall be authorized
15 to conduct a pilot program in which local school systems participating in the pilot program
16 consolidate federal, state, and local funds to support a school-wide program, as allowed by
17 20 U.S.C. Section 6314(a)(1).

18 (b) The purpose of the pilot program shall be to:

19 (1) Determine whether state fiscal and accounting barriers can be modified or eliminated
20 so that schools can easily consolidate federal, state, and local funds to improve
21 educational opportunities and reduce fiscal and accounting requirements, as provided in
22 Section 1005 of the federal Every Student Succeeds Act;

23 (2) Demonstrate that consolidation of funds creates flexibility to more effectively
24 upgrade the entire educational program of a Title I school, with a focus on academically
25 struggling students;

- 26 (3) Simplify the consolidated application and accelerate the approval of the application
27 and disbursement of federal program funds;
- 28 (4) Demonstrate the benefit of not having to identify individual services as
29 supplementary or track individual expenditures by the federal program;
- 30 (5) Simplify time and effort relative to documentation;
- 31 (6) Determine how state financial reporting requirements can be changed to
32 accommodate local school systems that may want to consolidate funds in future years;
- 33 (7) Study various methodologies that might be used by local school systems to
34 demonstrate, in accordance with Section 1012 of the federal Every Student Succeeds Act,
35 within two years of the enactment of such federal act, that the methodology used to
36 allocate state and local funds to each school ensures that each such school receives all of
37 the state and local funds it would otherwise receive if it were not receiving assistance
38 under Title I;
- 39 (8) Assist the department in identifying important issues that will help the department
40 optimize the new Title I plan that it will submit to the United States Department of
41 Education as required by the federal Every Student Succeeds Act; and
- 42 (9) Identify any other objectives by the department and the local school systems
43 participating in the pilot program that arise during the pilot program.
- 44 (c) To allow the department flexibility in operating the pilot program for the 2016-2017
45 school year, notwithstanding any other provision of law to the contrary, the State Board of
46 Education shall be authorized to waive or provide variances to provisions of this title and
47 state board rules, to the extent reasonably necessary, regarding financial reporting
48 requirements, including but not limited to Code Sections 20-2-320, 20-2-321, 20-14-33,
49 and 20-14-34 and any rule promulgated by the State Board of Education regarding financial
50 reporting requirements, to implement the pilot program in accordance with the purposes
51 established pursuant to subsection (b) of this Code section, allowing, in particular, the pilot
52 school systems to submit financial reports based on consolidated funds rather than
53 segregating state and local funds from the consolidated pool.
- 54 (d) The department shall be authorized to add one or more data elements to the
55 certified/classified personnel information data collection procedure for the purpose of
56 allowing the pilot school systems to report personnel paid from a consolidated pool of
57 funds in a manner that will allow the school system to receive the correct amount of state
58 dollars for training and experience and insurance premiums for the state health benefit plan.
- 59 (e) The department and the pilot school systems shall continue to comply with all federal
60 laws, regulations, and reporting requirements.
- 61 (f) During the pilot program, the department and the pilot school systems shall jointly
62 report each month to the State Board of Education concerning the progress of the pilot

63 program, including an assessment of risks and benefits. The State Board of Education shall
64 be authorized to approve additional waivers of state requirements that may be reasonably
65 necessary to meet the goals of the pilot program.

66 (g) On or before February 15, 2017, the department and the pilot school systems shall
67 jointly report to the Senate Education and Youth Committee and the House Committee on
68 Education the progress of the pilot program and any recommendations for legislative
69 changes.

70 (h) This Code section shall stand repealed in its entirety on December 31, 2017."

71 **SECTION 2.**

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