

**Interim Joint Committee on Education****Minutes of the-<MeetNo1> 7th Meeting****of the 2001 Interim****<MeetMDY1> December 5, 2001**

The-<MeetNo2> seventh meeting of the Interim Joint Committee on Education was held on-<Day> Wednesday, <MeetMDY2> December 5, 2001, at-<MeetTime> 1:00 PM, in-<Room> Room 149 of the Capitol Annex. Representative Frank Rasche, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members:<Members> Senator Lindy Casebier, Co-Chair; Representative Frank Rasche, Co-Chair; Senators Walter Blevins, Brett Guthrie, David K. Karem, Alice Kerr, Vernie McGaha, Gerald Neal, Ernesto Scorsone, Dan Seum, Tim Shaughnessy, Robert Stivers, Johnny Turner, and Jack Westwood; Representatives Larry Belcher, Buddy Buckingham, Mike Cherry, Jack Coleman, Hubert Collins, Jon Draud, Tim Feeley, Gippy Graham, Mary Lou Marzian, Reginald Meeks, Charles Miller, Harry Moberly, Russ Mobley, Tom Riner, Charles Siler, Arnold Simpson, Dottie Sims, Kathy Stein, Gary Tapp, Jim Thompson, Mark Treesh, and Charles Walton.

Guests: Wayne Young and Mike Carr, Kentucky Association of School Administrators; Jane C. Lindle, University of Kentucky College of Education; Sandra Shroat Bush, Kentucky Teachers' Retirement System; Cindy Heine, Prichard Committee; Martin Cothran, Family Foundation; Bonnie Brinly, Kentucky Department of Education; and Pam Polly, Kentucky Higher Education Assistance Authority.

LRC Staff: Sandra Deaton, Audrey Carr, Ethel Alston, Evelyn Gibson, Kelley McQuerry, and Lisa Moore.

A motion was made to approve the minutes of the November 5, 2001 meeting by Representative Collins and seconded by Representative Moberly. The motion was approved by voice vote.

Representative Rasche introduced Mary Ellen Weiderwohl, Education Professional Standards Board, who explained administrative regulation 704 KAR 20:305 which relates to written examination prerequisites for teacher certification. Ms. Weiderwohl introduced Dr. Phillip Rogers, Director of Testing and Research, Education Professional Standards Board, and explained that this administrative regulation is amended on a regular basis because tests are constantly revalidated and passing scores reset based on standard setting processes and national standards. She also said that the changes to the regulation affect existing tests and create additional tests to accommodate the new certifications adopted by

the board in 2000.

Representative Miller asked Ms. Weiderwohl to elaborate on her comments about students having two majors and two minors. Ms. Weiderwohl explained that the board no longer issues teaching certificates based on the background of majors and minors, but issues standards based certificates that have a certification area.

Representative Rasche introduced Jim Nelson, Commissioner, Department for Library and Archives, who explained administration regulation 725 KR 2:015 & E. Dr. Nelson said the regulations are required by House Bill 825 (2000) with regard to the public library facilities construction fund. He said the administrative regulation would allow the Department for Library and Archives to enter into a long-term memorandum of agreement with local public libraries for the construction of facilities.

Representative Rasche commented that the subcommittee reports were still in their draft stages, and need further editing. He also said there would be no debates or voting on the specific items in the subcommittee reports. Representative Rasche explained that members would receive the subcommittee reports with the realization that there will still be final editing, with no major changes to the recommendations, and then forwarded to the LRC.

Representative Rasche introduced the subcommittee report on Advanced Placement Programs and asked Senator Guthrie or Senator Shaughnessy if they would like to reiterate any items since the report had been presented in November. There were no further comments. Upon motion by Senator Shaughnessy, seconded by Senator Scorsone, the Advanced Placement Programs subcommittee report was accepted by the committee on a roll call vote of 30 yeas, 0 nays, and 0 abstentions.

Representative Moberly explained the Teacher Compensation subcommittee report. He noted that in 1998-99 there were 506 emergency certificates obtained by teachers compared to 1336 in 2000-2001 school year. Representative Moberly said that districts are having difficulty finding principals, counselors, and qualified substitute teachers. Representative Moberly explained the role of compensation, salary, and benefits in the recruitment and retention of teachers. He said that the report cites several studies including a national study with teachers of the year in various states. Representative Moberly said that as of 1999-2000, Kentucky is 32<sup>nd</sup> in average teacher salaries. He said this is lower than many of the surrounding states which hinders recruitment in border areas. Representative Moberly explained that the Kentucky teachers' retirement program is very competitive and discussed the rising costs of health insurance for Kentucky teachers. He commented that a huge problem with the insurance for teachers in Kentucky is the premiums for dependent coverage under the family plan. He said that most other states who provide a statewide health insurance plan for teachers do subsidize the costs for dependent coverage.

Representative Moberly explained the recommendations. He said the first five address the basic salary schedule for teachers. Representative Moberly said that Recommendation No. 1 retains the single salary schedule that recognizes educational rank and experience for

determining base pay, but provides options for salary supplements beyond the base.

Representative Moberly said Recommendation No. 2 would require that in the 2002 regular session of the General Assembly, a required minimum salary schedule in the biennial budget be adopted that reflects the actual beginning salaries of teachers in the state and adjust the cells proportionately in order to establish the base from which future salary adjustments are made. He said this recommendation does not cost any money, it just needs to be done in order to reflect actual salaries and make the salary schedule significant again.

Representative Moberly said Recommendation No. 3 addresses the problem of a lack of a broad enough salary range between a beginning teacher's salary and an experienced teacher with 27 years and above. He said the recommendation suggests modifying the cells in the state single salary schedule by establishing a cell for 20-24 years experience, one for 25-29 years experience, one for 30 and beyond years experience with a \$500-\$1000 minimal incremental difference among the new cells. This recommendation would begin in the 2003-2004 school year or when state funding to supplement existing salaries is available. Representative Moberly said some local districts provide teacher salary supplements, but many do not.

Representative Moberly said Recommendation No. 4 gives a boost to all cells in the salary schedule with higher percentages given at the lower end. He said all salary cells would be raised by a minimum of \$1000 or a proportional amount, based on the state appropriations for this purpose.

Representative Moberly said Recommendation No. 5 is intended to be phased in after increases in base salaries have been made. He said this recommendation would phase-in additional days on the school year calendar. He said it is addressed in teacher compensation because it would involve teachers receiving increased compensation because of additional days. Representative Moberly stressed that this should not replace the increase in salaries in the previous recommendations, but be phased-in after salaries are increased. He also said that additional instruction days in the school year benefit teachers and students both and that the extra days would begin in the 2004-2005 school year.

Representative Moberly said Recommendation No. 6 addresses the cost of living adjustments for teachers. He said this would provide supplemental funding to local districts to ensure teachers the same cost of living adjustment that is provided to state government workers beginning with the 2002-2004 biennium.

Representative Moberly said Recommendations No. 7 and No. 8 address statewide differential pay supplements for specific programs. He said Recommendation No. 7 would provide teachers with supplements who earn the National Board Certification. He said Recommendation No. 8 would increase funds when available for those who serve as resource teachers to interns, who serve as supervising teachers, and who serve as classroom mentors.

Representative Moberly said Recommendations No. 9 and No. 10 address innovative compensation plans. He said Recommendation No. 9 established a state fund to be administered by the Kentucky Department of Education for the purpose of supporting the development of at least five local district pilots, differentiated pay programs that are designed to decrease the number of emergency certified teachers employed in the district, provide career advancement opportunities for classroom teachers who voluntarily wish to participate, and reward teachers for increasing their skills, knowledge and instructional leadership within the district or school based on specific criteria established by the local board of education and in compliance with the criteria for participation in the competitive grant process as established by the Kentucky Board of Education.

Representative Moberly said Recommendation No. 10 requires the Kentucky Department of Education to gather information from the district pilot compensation plans and provide recommendations to the General Assembly prior to the 2004 regular session regarding the feasibility of establishing a statewide teacher advancement program.

Representative Moberly said Recommendations No. 11 to No. 13 address recruitment and retention issues. He said Recommendation No. 11 establishes a state fund designated for local districts to "Grow their own Teachers" by providing loans to emergency certified personnel and existing classified personnel such as teachers' aides to become certified to teach in their districts. Design this on a loan forgiveness proposition so that the individual gives service back to the district for funds received. Provide that the Kentucky Higher Education Savings Plan Trust manage the fund.

Representative Moberly said Recommendation No. 12 continues funding a state recruitment plan and encourages the Kentucky Department of Education to continue efforts under way to attract high school students and college students to teaching through teacher clubs and other efforts.

Representative Moberly said Recommendation No. 13 modifies the current statute scholarship program for teachers to eliminate the need-based requirement for existing certified teachers to receive scholarships to return to school to become certified in chronic teacher shortage areas, as determined by the Commissioner of Education in cooperation with the Education Professional Standards Board, in areas such as special education, math, science, foreign language, or any area where there is a determined critical shortage.

Representative Moberly said that Recommendation No. 14 arose because committee members believe it is important to create a second year for the Kentucky Teacher and Principal Internship program. He said more information is needed about this program that could be obtained by the Legislative Research Commission performing a study during the 2002-2004 and reporting the findings to the Interim Joint Committee on Education with recommendations, including budget recommendations for improving the existing internship program, including mentoring support for second year teachers.

Representative Moberly said Recommendation No. 15 would clarify in statute that local

school districts may provide additional salary compensation above the single salary schedule for teachers who are recruited to serve in critical shortage areas including geographic, subject matter, or diversity; and teachers who agree to transfer from a high-performing school to a low-performing school. He stressed this is not a recommendation for broad implementation, but rather to get some rules in place while waiting for data collection from the pilot programs.

Representative Moberly said Recommendation No. 16 urges the General Assembly to consider funding a health insurance supplement for dependents.

Representative Moberly said Recommendation No. 17 urges the Council on Postsecondary Education, in collaboration with the Kentucky Board of Education, to include a provision in the criteria for developing model teacher preparation programs for paid sabbaticals for a limited number of experienced teachers to participate in professional renewal and growth activities with the university.

Representative Moberly said Recommendation No. 18 considers funding to support administrative aides for special education teachers in local school districts.

Representative Moberly said Recommendation No. 19 urges the federal government to fully fund special education and continue to advocate to state and federal officials the need to reduce paper work burdens on teachers in special education.

Representative Moberly said Recommendation No. 20 supports amending the current law to permit retired teachers to return to full-time teaching without regard to the number who may do so as long as it is actuarially sound for the retirement system.

Representative Sims said new teachers should have the opportunity to teach before a district hires a retired teacher. Representative Moberly explained that there are limitations on the numbers of retired teachers who can return to the classrooms and it has to be in a critical shortage area. Representative Moberly said that local school districts also have an incentive to hire the new teachers because it does not cost as much. Representative Rasche said there are 500 positions permitted for retired teachers, and only approximately 100 retired teachers are in the program.

Representative Walton commented that retired Kentucky teachers are the only teachers in the nation prohibited from returning to Kentucky classrooms to teach. He said teachers in Tennessee, Ohio, West Virginia, and other bordering states can retire and transfer to Kentucky and be hired full-time. He said we are penalizing Kentucky teachers during a time of teacher shortage when they should have first priority of returning to the classroom.

Upon motion by Representative Siler, seconded by Representative Collins, the Teacher Compensation subcommittee report was accepted by the committee on a roll call vote of 30 yeas, 0 nays, and 0 abstentions.

Representative Collins reported the study from the Classified Personnel subcommittee. He said the subcommittee met six times and received valuable input before creating the proposed recommendations. He said the subcommittee looked at a profile of classified employees from 176 local school districts employing 48,470 classified employees, 38,368 female employees and 10,102 male employees. He said 27 percent earn \$20,000 and less per year, and 4,407 earned \$12,000 or less per year. Representative Collins said some employees were reported as having to pay the local board of education in order to work to have health insurance.

Representative Collins said Recommendation No. 1 relating to KRS 158.6455 should be amended to require that if certified employees elect to grant bonuses, reward monies shall be distributed equally to all certified and classified employees in the school. He said Recommendation No. 2 relates to rewards as well as directing the Kentucky Board of Education to review the formula for calculating the reward amounts to be disbursed to successful schools and consider adding classified employees in the formula.

Representative Collins said Recommendation No. 3 allows the Kentucky Department of Education greater oversight of the financial management and evaluation of school districts. He said the department should be granted authority to establish standards for school financial management and to conduct financial audits on a random basis.

Representative Collins said Recommendation No. 4 allows local districts to continue to grant cost of living increases to classified employees and recommends that the increase be equal to the increase provided to certified employees. He said some districts already provide for the cost of living increase, but committee members want to ensure that all districts do this.

Representative Collins said Recommendation No. 5 says that the Kentucky County Employees Retirement System and the Kentucky Department of Education are directed to review the number of days required for classified employees to receive a year's credit for retirement and find solutions to include those employees who work fewer than the required 180 days and 80 hours a month.

Representative Collins said Recommendation No. 6 proposed that any increase in salaries for classified employees should be funded through the Support Education Excellence in Kentucky (SEEK) formula.

Representative Collins said Recommendation No. 7 says that any increase to salaries for classified employees should be funded through a state/local match program that is established outside of the SEEK program.

Representative Collins said Recommendation No. 8 asks that local boards of education establish salary schedules for the various job positions comprising the district's classified employee system.

Representative Collins explained that committee members realize that there is a budget

shortfall, however, classified employees need their standard of living improved immediately whether it be through state or local efforts.

Representative Draud commented that more needs to be done for classified employees, however, training workshops may need to be offered in management principles for school people managers. He found it disturbing that some local school districts do not have salary schedules in place.

Senator McGaha said there was a bill passed last year for classified employees to receive one full year of retirement for 180 days of employment. He said after reviewing numbers, it appears there has been some creative management in that employees are receiving 179 day contracts and not eligible for the year of retirement. Senator McGaha believes that problem should be corrected because it is not fair for classified employees to have to work for 40 years in order to obtain credit for 26 or 27 years.

Upon motion of Representative Siler, seconded by Representative Miller, the Classified Personnel subcommittee report was accepted by the committee on a roll call vote of 30 yeas, 0 nays, and 0 abstentions.

Representative Treesh explained the report, A Review of Economic Education in Kentucky's Public Schools that was required by House Concurrent Resolution 82 (2000 HCR 82) in the 2000 General Assembly. He also thanked Education Committee staff for their work on the study.

Representative Treesh said the goal of this study was to look at how well Kentucky is presenting economic information in the public schools. He said it is to Kentucky's benefit that its citizens understand more about economic principles such as supply and demand curves as well as consumer and finance issues. Representative Treesh defined economic education as informing students that there is a conflict between unlimited desires and finite resources. He said the National Council on Economic Education defines economic literacy as the knowledge and ability to assess problems, make choices, and understand the choices of others as consumers, workers and citizens in local, national and global economies.

Representative Treesh discussed the findings of the economic report and outlined questions that were identified to aid in the study:

- How is economic education included in Kentucky's education program?
- How do Kentucky's requirements align with other states?
- Are Kentucky teachers adequately prepared to teach economic education?
- What resources are available within the state and nation?

- Is there a need to improve economic education in the state?
- What are recommendations to enhance economic education in Kentucky?

Representative Treesh said the committee heard testimony from the Kentucky Center for Economic Education (KCEE) which provides teacher preparation on economics. He said the findings of the report are as follows:

- Kentucky does not require a specific course in consumer education or economics but economics is required to be incorporated into the social studies curriculum. Specific academic expectations require students to acquire knowledge and skills in economics and consumer education. Schools make different decisions about when and how to teach the required skills.
- Kentucky is like 36 other states in allowing local education agencies to determine course offerings or curriculum designs for consumer education or economics.
- Economic principles are an assessment component in social studies in the Commonwealth Accountability Testing System and practical and vocational skills are also a part of the testing system.
- There is wide variability among schools as to how consumer education and economics is included in the curricula as each school makes its own decisions.
- A small percentage of Kentucky students are actually enrolled in specific courses in this area which necessitates all Kentucky teachers being able to integrate these concepts and skills into their various curricula.
- There is not a teaching certificate in economics but teachers of social studies, consumer and family life skills and in other career and technical education areas, including business education and marketing require teachers to develop skills in these areas. However, the amount required varies by university program.
- A wide variety of resources are available to teachers and schools; however, there appears to be concern about the lack of coordination, the lack of awareness of some teachers as to what is available.
- While some persons advocate for mandating consumer education of financial literacy, this approach is contrary to the state policy of local decision making.
- There are new initiatives that promote greater involvement of teachers in professional development related to economics and consumer education, including technology driven professional development seminars, teacher institutes, and teacher academics.

Representative Treesh said the recommendations derived from the report were:

- The Kentucky Department of Education should continue to partner with private organizations, public and private colleges and universities, and other public entities to offer meaningful professional development for teachers.
- The Kentucky Department of Education should continue its efforts to develop teacher academies that focus on developing teachers' knowledge and skills in economics and in consumer education.
- The Kentucky Department of Education should maximize the use of its Web site to communicate the professional development and other resources that are available to teachers.
- Local schools and teachers should be encouraged to use some of the local professional development funds to participate in economics and consumer education related programs conducted by the KCEE and other appropriate providers.
- The Professional Growth Fund should be extended to encourage all teachers' participation in consumer education courses or professional development institutes, not just social studies teachers.
- The Department of Education, the KCEE, and other interested parties should continue collaboration and if funds are made available, the department may choose to contract with the KCEE to carry out coordinating functions in the areas of consumer education for the state.

Upon motion of Representative Treesh, seconded by Representative Collins, A Review of Economics Education in Kentucky's Public Schools report was adopted by voice vote and will be forwarded to the LRC after final editing.

The meeting adjourned at 3:00 p.m.

