



This Bill Analysis
reflects the
contents of the bill
as it was presented
in committee.

HOUSE BILL 6: Ed. Finance Reform Task Force/PED Report.

2017-2018 General Assembly

Committee: House Education - K-12	Date: February 14, 2017
Introduced by: Reps. Horn, Lucas, Johnson, McGrady	Prepared by: Brian Gwyn
Analysis of: First Edition	Committee Co-Counsel

OVERVIEW: House Bill 6 would establish the Joint Legislative Task Force on Education Finance Reform, based on the recommendation of the Joint Legislative Program Evaluation Oversight Committee.

[As introduced, this bill was identical to S9, as introduced by Sens. Foushee, McInnis, Krawiec, which is currently in Senate Rules and Operations of the Senate.]

BILL ANALYSIS: House Bill 6 would create the Joint Legislative Task Force on Education Finance Reform (Task Force) consisting of 18 legislators (9 from each body). The Task Force would be charged with studying various weighted student formula funding models and develop a new funding model for the elementary and secondary public schools of North Carolina. As part of the study, the Task Force would be required to do the following:

- Review the State's current public school allotment system and undertake an in-depth study of various types of weighted student formula funding models, including models used by other states.
- Determine the base amount of funds that must be distributed on a per student basis to cover the cost of educating a student in the State.
- Identify the student characteristics eligible for weighted funding and the associated weights for each of these characteristics.
- Resolve the extent to which the base amount of funds to be distributed would be adjusted based on the characteristics of each local school administrative unit.
- Decide which funding elements, if any, would remain outside the base of funds to be distributed under a weighted student formula.
- Study any other issue the Task Force considers relevant.

The Task Force would submit a final report on the results of its study and development, including proposed legislation to the Joint Legislative Education Oversight Committee, on or before July 1, 2018. The Task Force would terminate on July 1, 2018, or upon the filing of its final report, whichever comes first.

EFFECTIVE DATE: The bill would be effective when it becomes law.

BACKGROUND: In its report, entitled "Allotment-Specific and System-Level Issues Adversely Affect North Carolina's Distribution of K-12 Resources," the Program Evaluation Division "examine[d] the State's system for allotting resources of local education agencies (LEAs) and charter schools for the operation of K-12 public schools." The study found that there are inefficiencies and inequities in North Carolina's current resource allocation model. The report ultimately recommended that the General Assembly either "overhaul the model for how resources are distributed by developing a plan to implement a weighted student funding model" or "reform the current allotment system." The report recommended that the General Assembly create a joint task force to study the issue further.

The report can be found online at: http://www.ncleg.net/PED/Reports/documents/K12/K12_Report.pdf

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