Overall Education Points

No 2. January 2015

Arkansas School District Consolidation

The Public Education Reorganization Act—Act 60 of 2004—is the law governing school district consolidation in Arkansas. Act 60 was passed during the 2003-04 special legislative session in response to the historic Lake View School District v. Huckabee ruling by the Arkansas Supreme Court. The Lake View decision found the state's school funding system to be unconstitutional and mandated an improved system. Gov. Huckabee and Sen. Argue claimed that school district consolidation should accompany school finance reform, arguing that extremely small districts could not offer the needed courses in an efficient way. Thus, after much debate, the Legislature passed Act 60, which mandated that any school district in which enrollment drops to 350 students or fewer for two consecutive years must engage in district mergers. Although Act 60 "does not require the closing of any school", critics feared it would eventually lead to the closing of small high schools after consolidation.

Statistics Related to Consolidation

Since Act 60 passed during the 2003-04 session:

- Number of districts reduced from 309 in 2004 to 236 in 2014
- An estimated 41 high schools have closed due to district consolidation

Demographic information of districts undergoing consolidation

- Average enrollment in 2003-04: 257 (1,833 in non-consolidated districts)
- Average percent enrollment of FRL eligible students: 64% (49% in non-consolidated districts)
- Average percent minority students of 24% (30% in non-consolidated districts)

Currently, 29 districts are on the "verge" of consolidation, serving fewer than 450 students

- Average academic achievement for these districts in 2013-14 was 70% proficient or advanced math and 75% proficient or advanced in literacy (compared to 72% and 78% statewide)
- These districts spend more per-pupil than larger districts (\$11,152 vs. \$8,739), but pay lower average teacher salaries (\$39,127 vs. \$44,615)

Future of Consolidation

Governor Hutchinson has indicated that he may be interested in exempting small districts from consolidation, if the district demonstrates high student achievement and fiscal soundness. The optimal district size to maintain a baseline of educational adequacy and fiscal efficiency is the persistent question driving the consolidation debate, but student achievement and fiscal standing could play an important role in decisions regarding the future of our smallest districts and the students they serve.

For more information on this topic: see the following OEP publications:

Oct 2010: http://www.officeforeducationpolicy.org/downloads/2010/09/act-60-the-past-present-and-future-of-school-consolidation-in-arkansas.pdf

 $Oct\ 2005: \underline{http://www.officeforeducationpolicy.org/downloads/2005/10/a-first-look-at-the-impacts-of-district-and-school-consolidation.pdf}$

Spring 2004: http://www.officeforeducationpolicy.org/downloads/2004/06/does-size-matter-school-consolidation-policy-issues-in-arkansas.pdf



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