



Legislative Report

*Final actions in Delaware,
Louisiana and North Carolina
Updates from Florida and Virginia*

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SREB

Delaware (<http://www.legis.state.de.us/>)

The Legislature approved a general fund budget of nearly \$3.2 billion for 2007-2008, an increase of 5.9 percent. State revenues will be supplemented by a 60-cent increase in cigarette taxes (House Bill 249) to \$1.15 per pack. Included in the budget are pay increases of 2 percent for teachers and for college and university faculty. Also funded are raises of \$1,500 for instructional aides and \$1,275 for service aides such as monitors or cafeteria personnel. Funds for K-12 education will increase 5.9 percent to \$1.1 billion, while higher education funding will increase 2.6 percent to \$241.7 million.

Continuing the phase-in of full-day kindergarten statewide, the Legislature appropriated nearly \$9.5 million (up 24.6 percent), sufficient to fund full-day kindergarten programs in nine school districts, nine charter schools and one pilot classroom each in two school districts. Funding of \$2.7 million (up 37.7 percent) will complete the initiative of placing a math specialist in each of the 42 schools statewide that contain seventh and eighth grades. Salary supplements for teachers who gain knowledge and skills leading to more effective instruction or who obtain National Board Certification will be funded at \$6.3 million, an increase of 77 percent.

The merit-based SEED scholarship program, which provides tuition to associate's degree program students, will receive a 72 percent funding increase to nearly \$2.4 million. Need-based aid at Delaware State University and Delaware Technical and Community College will increase 27.7 percent to \$2.9 million, and funding for scholarships at the University of Delaware will increase 5.7 percent to \$9.7 million.

The University of Delaware has announced that its tuition rates will increase 5.1 percent for the 2007-2008 academic year. Delaware Technical and Community college tuition will increase 4.9 percent. Students at Delaware State University will not see a tuition increase.

In 2005, the Legislature elected to phase out the current, three-tiered high school diploma system in favor of a single diploma awarded to all high school graduates, beginning in 2008. This change was to coincide with improvements to the Delaware Student Testing Program (DSTP). Due to delays in implementing the revised DSTP, the Legislature approved House Bill 18, which pushes back the elimination of the three-tiered high school diploma system to students graduating in 2011. The first administration of the revised DSTP will occur in 2009.

Other legislation

HB 7, the School Bullying Prevention Act, requires all school districts and charter schools to prohibit bullying and to provide their employees with one hour of training each year in the identification and reporting of criminal youth gang activity.

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HB 21 requires the state Department of Education to determine a standard format for district and charter school financial reports, and it requires districts and charter schools to post the financial reports monthly on their respective Web sites.

Louisiana (<http://www.legis.state.la.us/>)

With hurricane recovery ongoing and the state continuing its economic revival, the general fund budget for 2007-2008 will grow by 18.4 percent to nearly \$7.9 billion, the first large increase in state general funds since Hurricane Katrina. The overall state budget of \$29.7 billion, up 3.1 percent, includes \$8.4 billion in federal hurricane recovery funding. State funds for K-12 schools will increase by 16.5 percent to over \$3.1 billion. Universities will receive nearly \$1.2 billion (a 21 percent increase), and community and technical colleges will receive \$177.6 million (a 15.8 percent increase).

The budget includes funding for raises of \$2,375 for teachers, \$1,000 for school support staff, and a 5 percent pay increase for college faculty. LA4, the state-funded early childhood education program for 4-year-olds, will see a budget increase of nearly 50 percent to \$83.4 million. The additional funding is expected to provide spaces for approximately 5,000 more children, enough to cover all at-risk 4-year-old children in the state.

The K-12 budget includes \$13 million in new funding for high school redesign initiatives, including a revised curriculum, initiatives to aid students in earning credit for courses that they have previously failed, and additional support for the Louisiana Virtual School. The School Accountability and Improvement program, which includes testing, high stakes remediation, the K-3 math and reading initiative, rewards to schools that exceed student performance targets and the Distinguished Educators program, will receive \$111.8 million, a 15.4 percent increase.

Funding for the merit-based TOPS scholarship program will decline slightly to \$119.1 million, but that amount will fund approximately 43,000 awards. The Legislature also appropriated \$15 million to establish the need-based GO Grant program, which, as proposed, would provide awards to approximately 10,000 undergraduate Pell Grant recipients with unmet financial need.

The TOPS program currently requires that high school graduates have a 3.5 grade-point average (on a 4.0 scale) to be eligible for upper-level TOPS awards. Furthermore, home-schooled graduates are required to obtain a minimum score on the ACT college admission test that is 2 points higher than that of public and private high school graduates. House Bill 634 reduces the required minimum high school grade-point average for Performance or Honors level TOPS awards to 3.0 (beginning with the 2008-2009 school year), and it reduces the required minimum ACT score for home-schooled students by 1 point. In addition, Senate Bill 94 extends TOPS eligibility to students displaced by the hurricanes two years ago who graduate from an out-of-state high school and receive a Louisiana Distance Diploma, provided that the student was a Louisiana resident during the 10th-grade year of high school and that the student was residing in Louisiana for one year prior to August or September of 2005.

Other legislation

HB 188 allows teachers with valid out-of-state teaching certificates to obtain in-state certification without taking the certification exam, if they have completed one year of employment as a teacher in a Louisiana nonpublic school.

HB 775 requires that, in the event a school closes due to a natural disaster, money placed in the relevant school fund is under the control of the school board or other local entity with jurisdiction over the school prior to its closing.

SB 160 creates a pilot program to screen all students in kindergarten through third grade for dyslexia and related disorders.

SB 299 requires the State Board of Elementary and Secondary Education to adopt a visual and performing arts curriculum.

North Carolina (<http://www.ncleg.net/>)

Meeting in the “long session,” the General Assembly approved a 2007-2009 biennium general fund budget of \$20.4 billion in 2007-2008 (up 9.5 percent), increasing to \$20.6 billion for 2008-2009 (up 1.3 percent). The budget includes funds for a 5 percent salary increase for teachers and university and community college faculty in 2007-2008. Non-instructional personnel at schools, universities and community colleges will receive a 4 percent salary increase.

In each of the two coming fiscal years, public schools will receive \$7.7 billion in general funds (an 8.7 percent increase over 2006-2007), while universities will receive more than \$2.6 billion (an 11 percent increase over 2006-2007). General funds for community colleges will increase 5 percent to \$938 million in 2007-2008 but will decline to \$899 million (down 4.1 percent) in 2008-2009.

In February, the University of North Carolina System Board of Governors voted to raise tuition and general fees for undergraduate students by 6.5 percent. Community college tuition is up 6.3 percent.

The K-12 education budget includes \$7 million for a new competitive grant program to fund local dropout prevention initiatives, \$5.7 million for 100 literacy coaches placed in schools with an eighth grade (up nearly 20 percent), and \$5 million in supplemental funding to support special education services in school districts. The new Learn & Earn Online program, which will provide online college credit courses to high school students, will receive \$6.5 million in 2007-2008 and \$10.1 million in 2008-2009. Another \$5 million in reserve funding is provided for 2007-2008. The budget provides \$70 million to reward teachers and certified staff at schools showing greater than expected improvement in student performance. This amount is down from \$90 million in 2006-2007.

Lottery funds for education will total \$350 million in 2007-2008 (down from \$425 million the preceding year). Lottery funding for the More at Four prekindergarten program will remain unchanged at \$84.6 million. However, the General Assembly provided an additional \$56 million in general funds, enough for 10,000 more participants. The \$90.4 million in lottery funds allocated for class-size reduc-

tion represents a nearly 30 percent decrease, but \$37.5 million in general funds were appropriated to offset this reduction. The Public School Building Capital Fund and scholarships for needy students will see 17.6 percent reductions in lottery funds, to \$140 million and \$35 million, respectively.

Through the budget, the General Assembly established the EARN (Education Access Rewards North Carolina) scholarship program, with general funds of \$27.6 million in 2007-2008, and \$60 million in 2008-2009. Another \$40 million will be provided in 2008-2009 from the state's unclaimed properties fund. EARN will provide need-based grants of up to \$4,000 per year for the first two years of a student's education at a state college or university.

Senate Bill 1030 establishes the ROPE (Reaching One's Potential for Excellence) Scholars pilot program to strengthen middle grades education, with the goals of reducing dropout rates and increasing both high school and college graduation rates. The program is designed to reduce class sizes to one teacher for every 17 students, provide salary incentives of up to \$5,000 per year for certified teachers in high-need subject-matter areas, encourage participating students to meet certain standards, and provide students who successfully participate with college scholarships. The ROPE Scholars pilot will be implemented at three schools, beginning in the 2009-2010 academic year.

The General Assembly approved several pieces of legislation involving services for students with disabilities. House Bill 14 requires schools to provide homebound instruction for students with disabilities when it is the least restrictive alternative, while House Bill 20 establishes standards for homebound instruction. In addition, House Bill 17 requires the Department of Public Instruction to study the delivery of instruction and services to students with disabilities, and House Bill 26 requires the University of North Carolina System to study whether the state's teacher preparation programs adequately prepare teachers to instruct students with disabilities.

North Carolina joins several other states investigating the use of alternative teacher pay programs to reward teachers for improved student performance. House Bill 966 requires the State Board of Education to establish a pilot teacher performance pay program at up to five schools. Senate Bill 1115 requires the State Board of Education to establish a pilot lateral entry teachers program. Such programs, which have been established through several institutions of higher education in the state, allow professionals with non-teaching college degrees to obtain the teacher training and licensure required to enter the teaching profession.

Other legislation affecting teachers include Senate Bill 1292, which requires teachers to take credits in their academic subject area as a part of licensure renewal, and House Bill 956, which permits certain retired teachers to serve as classroom teachers without a loss of retirement benefits.

Other legislation

HB 349 repeals the law allowing the State Board of Education to remove local school board members who are not capable of performing their duties or who are guilty of "immoral or disreputable conduct."

HB 536 requires the State Board of Education to adopt new standards for school administrator preparation programs.

HB 1471 permits charter school teachers to participate in the state medical and retirement benefit programs available to other public school teachers.

SB 1065 permits a community college to charge a 33.3 percent tuition surcharge for a new academic program designed to attract industry to the local area. In certain cases, a college may use the proceeds of an endowed scholarship to offset the tuition surcharge.

SB 1241 authorizes over \$275 million in capital projects at University of North Carolina System institutions without providing specific appropriations for those projects.

Update on revenue shortfalls in Florida and Virginia

Florida legislators are likely to meet in a special session later this year to address a projected deficit of more than \$1 billion for the 2007-2008 fiscal year. The governor previously asked state agencies, K-12 schools, colleges and universities to plan for budget reductions of 4 percent to 10 percent.

In Virginia, Governor Kaine announced, in a joint meeting of the Senate Finance, House Finance and House Appropriations committees, that the state is expecting a revenue shortfall of approximately \$400 million in the 2007-2008 fiscal year. The governor has asked agencies to curtail discretionary spending, directed them to obtain secretarial-level review and approval before hiring new employees, and asked all state agencies to explore reducing their operating budgets by 5 percent. The governor also indicated that he is considering a withdrawal from the state's Rainy Day Fund through the fiscal year 2007-2008 supplemental budget bill.

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