# The 2010 Legislative Briefing

# SREB

#### Summary

Sessions wrapped up later than usual across the region — not surprising given the tight economic situation in SREB states. During 2010 sessions, states wrestled with several years of budget reductions, little — if any — revenue growth, and the increasing costs of providing services. Legislatures continued to shore up budgets with federal recovery funds and, in some cases, they shifted reserves from dedicated trust funds to support general state operations.

Several states increased flexibility to ease financial pressures. Legislatures in Alabama, Georgia, Maryland, Mississippi, Oklahoma and Virginia provide more flexibility in spending. Georgia and Virginia raised class-size limits, and Florida will take a constitutional amendment to voters in November to revise class-size requirements. Tennessee extended a pilot program for class-size increases in career/technical education classes.

A number of states gained flexibility relative to personnel decisions. Actions in Alabama, Georgia, Mississippi, North Carolina and South Carolina now permit agencies to furlough employees. Georgia and South Carolina districts had until May 15 (previously, April 15) to offer teachers contracts for 2010-2011. Another Georgia bill suspends educator Professional Learning Unit requirements through 2015. Kentucky legislation creates a temporary teacher certification for Teach for America participants. Oklahoma extended the length of temporary teacher contracts.

The school calendar was a topic of discussion again this year. In Maryland, the state Board of Education will explore the use of innovative school-scheduling models as a way to improve instructional delivery. North Carolina and Tennessee passed legislation to assist school districts that are forced to close due to inclement weather or other issues. School districts in Virginia may apply for a waiver from the requirement of beginning the school year after Labor Day. Legislation in West Virginia will help ensure that students attend school at least 180 school days per year.

Education reform legislation also was passed in several states — in many cases, to increase the chances of receiving federal Race to the Top awards. Two SREB states, Delaware and Tennessee, received awards in the initial round of applications. Round 2 recipients include Florida, Georgia, Maryland and North Carolina. Legislation tying teacher evaluations to student performance passed in Delaware, Louisiana, Maryland, Oklahoma and Tennessee. Bills in Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma and Tennessee aim to improve low-performing schools. Maryland, Mississippi, North Carolina, Oklahoma, Virginia and West Virginia addressed issues relating to charter schools or innovative school programs.

#### October 2010

Southern Regional Education Board

592 10th St. N.W. Atlanta, GA 30318 (404) 875-9211 www.sreb.org Actions in Florida, Georgia, Kentucky and North Carolina recognize that early intervention and a focus on high school graduation are keys to success for some students. Kentucky legislation is designed to improve the reading comprehension skills of middle grades and high school students.

Reflecting growing concern over low college-completion rates and the difficulties that students who transfer from two-year to four-year colleges and universities encounter, policies in Kentucky, Mississippi and Tennessee address the need to better coordinate between two- and four-year institutions. Florida, Louisiana, North Carolina and Tennessee are taking varying approaches to increase degree completion.

Student financial aid received attention in several states during the 2010 sessions. Florida raised the requirements to qualify for its merit-based Bright Futures scholarships and amended rules governing the program. Another bill in Florida provides tuition and fee waivers for public school teachers under certain circumstances. Georgia eliminated funding for several lottery-funded programs directed at prospective or current teachers. Arkansas legislation set up its new lottery scholarship program, approved by voters in 2008. Alabama adopted a plan to fund the shortfall in its pre-paid tuition program and suspended further enrollment in the program.

A summary of each state's legislative and budget actions can be found in the 2010 Final Legislative Report, available at www.sreb.org.

#### State and education budgets

The latest recession was certified in September 2010 by national experts as officially over, ending in June 2009 after 18 months — the longest recession since World War II. The length and severity of the recession are evident in overall state-funded budgets, as well as in K-12 and higher education budgets. Even though the recession has been over for more than a year, economic recovery generally has not yet reached state budgets.

Nearly all SREB states opened the 2009-2010 year with budgets lower than those in the prior fiscal year. During that year, half of the SREB states were forced to reduce their state budgets midyear, in many cases impacting K-12 and higher education as well.

Most SREB states saw declines in state and education budgets when the beginning of the current fiscal year is compared with the beginning of the prior one. Delaware, Florida and Tennessee are the only SREB states with state-funded budget increases in 2010-2011 when compared with the enacted budgets for 2009-2010. (Also see Texas on Page 3.) Delaware's budget grew by 6.9 percent, while Florida adopted an increase of 12.2 percent. Tennessee's state-funded budget increased slightly after initial estimates following the 2010 session suggested a small decline.

Legislatures passed state budgets with decreases of up to 5 percent in Alabama (for the Education Trust Fund), Arkansas, Georgia, Maryland, North Carolina, Virginia and West Virginia. Larger decreases of 6 percent to 8 percent were adopted

Most state budgets continue to decline in Louisiana, Mississippi and Oklahoma, while Kentucky and South Carolina saw decreases exceeding 10 percent.

Budgets for elementary and secondary education increased in Florida, Louisiana and Maryland when compared with the opening of the 2009-2010 year. They decreased more than 10 percent in Mississippi, South Carolina and Virginia. K-12 budgets decreased up to 6 percent in Alabama, Arkansas, Georgia, North Carolina, Tennessee and West Virginia. Kentucky and Oklahoma saw decreases between 6 percent and 7 percent.

Delaware's K-12 budget also decreased by almost 7 percent, but the decline was due to transferring the funding for debt payments from school districts to the State Treasurer's Office. The overall state-funded operating budget for the Department of Education, disregarding the transfer, increased by about 1 percent.

State support for postsecondary education increased in Florida and North Carolina in 2010-2011. Higher education budgets decreased by up to 6 percent in Arkansas, Delaware, Maryland, Oklahoma, Tennessee and West Virginia. Decreases of about 7 percent to 9 percent were seen in Alabama, Georgia and Kentucky. State support for postsecondary education decreased by more than 10 percent in Louisiana, Mississippi, South Carolina and Virginia.

While several SREB states (Kentucky, North Carolina and Virginia) prepare biennial budgets and regularly amend those budgets for the second year of the biennium, Texas is the only state that adopts a biennial budget that remains in place throughout the biennium. According to the *2010 Texas Fact Book*, the state-funded budget for the 2010-2011 biennium totals \$87 billion. Texas' budget continued to grow during the recession, though state funds declined slightly (less than 2 percent) for the current biennium. K-12 funding from state funds also declined slightly (less than 2 percent), while higher education funding increased by about 7.5 percent.

#### Revenue and tax measures

It is no surprise that most states did not pass general tax increases. However, several states did balance budgets by transferring money from special or rainy day funds to help cover needs. In addition, some states shifted the sources of funds that support certain education activities. Florida, for example, is utilizing expected revenues from a gaming compact with the Seminole tribe and transfers from other funds to balance the budget. North Carolina replaced \$30.6 million in general funds for the More at Four prekindergarten program with federal funds from the Temporary Assistance for Needy Families (TANF) program. In Virginia, lottery funds will support some state education programs previously supported by general funds. Oklahoma used rainy day funds to shore up the budget.

To raise new revenue, Georgia increased fees for drivers' licenses and identification cards, and it created a new hospital provider tax on patient revenues to fund Medicaid. Over the next five years, the bill phases out the state's portion of the homeowners' property tax and all income tax on retirement income for those ages 65 and above. Education funding rises in a few states The South Carolina General Assembly increased the cigarette tax from 7 cents per pack to 50 cents per pack. The revenue from the increase will support Medicaid expenses, tobacco-related cancer research, and a statewide smoking prevention and cessation program. According to the Campaign for Tobacco-Free Kids, the average cigarette tax rate across the nation is \$1.45 per pack. Tax rates in the SREB states range from 30 cents per pack in Virginia to \$2 in Maryland.

## Tuition and required fees

College affordability remains an issue in the SREB states. The stress of continued budget reductions can be seen in the tuition and fee increases estimated for the current year. While several states were able to hold tuition steady a year ago, West Virginia is the only SREB state with no estimated increases this year.

Florida's Legislature raised tuition by 8 percent as part of the appropriations process. State University System institutions are allowed to increase tuition by another 7 percent, to a maximum of 15 percent. In addition, institutions also had

	Two-year colleges	Four-year colleges
Alabama	1.1% to 32.2%	8.7% to 25.4%
Arkansas	2% to 19%	3% to 10%
Delaware	5.1%	3.5% to 5.9%
Florida		
State University System		11% to 17%
Florida College System	8% average	8% average
Georgia	4.4%	8% to 16.5%
Kentucky	4%	5% to 6%
Louisiana	5%	8% to 10%
Maryland	7.9% average	3%
Mississippi	0 to 25.6%	5% to 9%
North Carolina	13%	9.9% to 33.7%
Oklahoma	3.2% to 5.5%	3.8% to 5.5%
South Carolina	0 to 12.7%	4.4% to 14.8%
Tennessee		
University of Tennessee		9%
BOR Colleges	8.2% for 15 credit hours	6.1% to 8.1% for 15 credit hours
Texas	NA	NA
Virginia	11.8% average	10.5% average
West Virginia	0	0

#### Estimated Changes to Tuition and Required Fees for Undergraduates at Public Institutions, 2010-2011

"NA" indicates data not available.

the flexibility in 2010-2011 to increase fees by 15 percent or to the state average. When tuition and required fees are considered, in-state undergraduates in the State University System are paying increases ranging by institution from 11 percent to 17 percent. The Florida College System is comprised of historically two-year colleges, though some now offer baccalaureate programs. In-state undergraduates in two-year and baccalaureate programs will see increases averaging 8 percent.

Georgia students continue to pay a special institutional fee, ranging from \$100 per semester for students at state and community colleges to \$200 per semester for students at research universities.

Louisiana is allowing more flexibility in assessing tuition, though the increases are tied to the performance measures outlined in the Louisiana Granting Resources and Autonomy for Diplomas Act. Institutions may raise tuition by 10 percent if they commit to and meet improved graduation rates and other performance measures.

Four-year colleges in Maryland raised tuition by 3 percent, the first increase since tuition was frozen in 2005. While the average tuition and required fee increase at community colleges is 7.9 percent, increases by institution range from 1.7 percent to 56.4 percent. One college reduced the cost to students by 2.6 percent.

Concerns in South Carolina over large tuition increases led the Budget and Control Board in late September to place a moratorium on campus construction projects at those colleges and universities that raised tuition by 7 percent or more. It is likely that some colleges may revisit the adopted increases.

Increases for students attending Tennessee Board of Regents (BOR) institutions vary depending upon the numbers of credit hours taken. For example, for in-state undergraduates taking 12 credit hours at a four-year college, increases range by institution from 4.1 percent to 6 percent. For those taking 18 credit hours, increases range from 8.1 percent to 10.1 percent. Students at two-year colleges are paying an increase of 5.8 percent if they take 12 credit hours and 10.5 percent if they take 18 credit hours.

More information on tuition and other higher education data are available in the 2009 SREB Fact Book on Higher Education, SREB Data Exchange Highlights and in the Featured Facts report for each SREB state. These reports and 2010 updates of the Fact Book data can be found at www.sreb.org.

#### Assistance to local districts

It is not unusual during times of economic stress for state legislatures to provide additional flexibility or assistance to local school districts and universities — the idea being that local officials who are closest to the students are in the best position to make decisions affecting those learners while making budget ends meet. Several states are providing flexibility in areas such as the use of funds, class size and personnel regulations. Tuition increases help offset budget reductions Districts in Alabama, Georgia and Oklahoma now have more flexibility in how to use operating funds rather than having to spend funds in the designated categories where appropriations are made. Georgia districts also may use transportation funds to refurbish old school buses rather than buy new ones.

Maryland prohibited penalties on local districts in 2009-2010 for providing less funding per student from local revenues than in fiscal year 2009.

Virginia districts may carry over any remaining state fund balances from the 2009-2010 budget to minimize 2010-2011 budget shortfalls. North Carolina universities also may carry forward, from one fiscal year to the next, any savings realized from energy conservation measures; 60 percent of those savings must be used for other energy conservation measures at the institution, while the remainder may be used for related capital and operating expenditures.

To help districts with budget planning, Georgia and South Carolina districts could delay by one month (to May 15) the date by which they had to notify teachers of whether their contract was renewed for the 2010-2011 school year. Georgia districts have this authority through 2012-2013.

Legislatures also relaxed other policies to permit flexibility. Georgia suspended educator Professional Learning Unit requirements through July 2015. Maryland delayed from 2010 to 2012 the date by which local boards of education must submit new comprehensive, five-year master plans to the State Department of Education. North Carolina eliminated the provision that permitted the state Board of Education to require high school graduation projects beginning with the 2011-2012 school year; however, local boards may require them. South Carolina waived the requirement that the state Department of Education provide printed copies of 2010 report cards for schools and districts, instead requiring schools and districts to provide the information via the Internet.

Several states passed provisions to relax class-size requirements. Georgia law allows school systems to increase class sizes through 2012-2013. Districts in Virginia have the authority to increase class sizes by one additional student in kindergarten through grade seven and in English classes for grades six through 12. Tennessee is extending a pilot program by two years (to January 1, 2012) for class-size increases in career/technical education classes in two school systems.

Florida's class sizes are constitutionally mandated. A proposed constitutional amendment on the November 2010 ballot would permit schools to determine their class sizes by looking at schoolwide averages by grade level rather than the numbers of students in each individual classroom.

#### The school calendar

School calendar regulations have come under discussion over the past few years to meet the learning needs of students, to address weather and pandemic issues, and to allow districts to manage costs. During 2009 legislative sessions, Georgia and Oklahoma joined several other SREB states (Arkansas, Delaware, Kentucky, Louisiana

# School districts gain flexibility

and Virginia) in permitting districts to meet instructional hour requirements rather than mandating that students attend school for a specified number of days.

After the extreme winter of early 2010, North Carolina and Tennessee passed legislation to assist school districts that are forced to close due to inclement weather or other issues. North Carolina now allows a school that closes for one or more full days due to inclement weather to satisfy the instructional time requirements by being in session for 1,000 hours of instructional time, even if those hours occur in less than 180 calendar days.

In anticipation of problems that could close schools during the school year, Tennessee districts may extend the school day by one half-hour daily for the full school year (totaling up to 13 additional instructional days) to meet instructional time requirements missed due to dangerous or extreme weather conditions, serious outbreaks of illness, natural disasters and other dangerous conditions. With approval of the state commissioner of education, school systems may use excess instructional time for professional development, parent-teacher conferences and other meetings.

Concern over instructional time led the West Virginia Legislature to help ensure that students attend at least 180 school days per year. (While this provision already was in law, districts did not necessarily meet the requirement.) Local boards now have the flexibility to determine the beginning and ending dates of a school year (previously specified in law), and they must to develop contingency plans for emergency conditions to ensure that students meet the 180-day requirement.

Virginia allows school districts to request a waiver from the requirement to begin the school year after the Labor Day weekend if the school board certifies that it meets one of the outlined "good cause" requirements.

Legislation in Maryland addresses efforts to innovate and improve instructional delivery. The state Board of Education is now required to explore the use of innovative school scheduling models (including extended-year and year-round calendars in low-performing or at-risk public schools) and encourage schools to use those models.

More information on school calendars can be found in *Focus on the School Calendar* (2010), the upcoming *Focus on Alternative School Calendars: Year-Round School Programs and Update on the Four-Day School Week* (2010) and *Focus on the School Calendar: The Four-Day School Week* (2008) at www.sreb.org.

## Salaries, benefits and personnel policies

Since the largest expenditure in education budgets is tied to personnel, it is no surprise that general pay raises for teachers, faculty and state employees were not included for the most part in the budgets passed during the 2010 legislative sessions. In Virginia, however, a 2009-2010 end-of-the-year surplus will permit state employees to receive a one-time bonus of 3 percent in December 2010.

Local school districts in South Carolina may (on a vote of their boards of trustees) suspend scheduled salary increases based on years of service and pay

School calendars change to meet student needs teachers the same salaries they earned in 2009-2010. This must apply uniformly to all teachers and district and school administrators within the district.

Alabama, Georgia, Mississippi, North Carolina and South Carolina outlined provisions permitting employee furloughs as a cost-saving measure. In Georgia, districts are prohibited from furloughing teachers and other staff if the funds are then used to provide salary increases for administrators.

Delaware eliminated the furloughs and the restored pay cuts included in the 2009-2010 budget — all state employees and teachers had taken five furlough days and had their salaries reduced 2.5 percent. For 2010-2011, teachers and state employees will receive salary increases based on years of service, and teachers will continue to receive National Board Certification salary supplements. The budget, however, extends the moratorium on new National Board Certification program participants for a third consecutive year.

Georgia eliminated all funding for National Board Certification bonuses. Last year, it cut funding for the program in half. Oklahoma suspended for two years (from June 30, 2010, to June 30, 2012) the \$5,000 payment for any teacher who obtains certification during that two-year period. South Carolina is continuing salary supplements for teachers who obtain National Board Certification but at a reduced level for newly certified teachers (\$5,000, down from \$7,500).

Kentucky will extend its use of salary supplements tied to national certification. Legislation permits local boards of education to provide supplements to speechlanguage pathologists and audiologists. The amount of the supplement is the same as salary supplements provided to National Board Certified teachers. Another law extends the \$2,000 annual salary supplement for achieving National Board Certification to certified teachers at technical schools.

Rising health care costs and health insurance benefits for teachers and state employees were the topics of legislation in several states. In Florida, health insurance benefits for state employees were reduced slightly, and a number of employees who previously did not pay for coverage now contribute a small amount (\$8 per month for individual coverage and \$30 per month for family coverage).

Kentucky legislation establishes an insurance trust fund to provide health benefits to retirees under the Teachers' Retirement System and requires current teachers contributing to the system to begin making payments into the insurance trust fund as well. The Legislature strengthened the fiscal health of the state retirement systems, including the Teachers' Retirement System, in 2008.

Mississippi's governor called a special session to provide needed funding to the Public Employees Retirement System (PERS), which covers state employees and education personnel. Legislation increases the PERS employee contribution to 9 percent from 7.3 percent for the 2010-2011 fiscal year only.

A bill in West Virginia extends the amount of time that certain participants who transferred from the Teachers Defined Contribution System to the Teachers'

## Some states may furlough employees

Lawmakers address health care and retirement costs Retirement System may purchase the full amount of credit they held in the defined contribution system.

Actions during 2010 sessions allow additional employees to gain or maintain health care coverage in North Carolina and Tennessee. Teachers in North Carolina whose positions are eliminated due to funding reductions and who were employed for a year or more still are provided non-contributory coverage under the state's health benefits plan. Due to expected budget-related job cuts in schools, legislation extends the provision to teachers who complete 10- or 11-month contracts and whose positions are subsequently eliminated for funding reasons. Tennessee school districts, through gradual implementation, will expend funds generated under the K-12 funding formula to provide health insurance to support staff.

Relative to position vacancies and new employees, Alabama now requires the posting of vacancy notices for the superintendent of education, chancellor of higher education and other education positions. West Virginia requires any supervisor of transportation for a county school system hired after July 1, 2010, to have at least five years of experience working in a county board of education's transportation department.

South Carolina districts must perform a criminal background check on all new employees. The law also requires districts to perform a National Sex Offender Registry check on all employees and volunteers. Furthermore, districts are required to establish policies that prohibit the hiring of registered sex offenders and individuals convicted of committing violent crimes.

In other actions, North Carolina requires the development of policies so that employees can donate sick leave to other, non-related employees. A donor may not donate more than five days of leave per year to any particular employee and may not donate a total of more than 20 days of leave per year.

South Carolina's Employment Security Commission (responsible for managing unemployment benefits) was replaced with an executive-level Department of Employment and Workforce. The new department is expected to address a deficit of nearly \$800 million in the trust fund used to pay unemployment benefits and to provide stricter oversight of those benefits.

Maryland bills establish the Public School Labor Relations Board to administer and enforce labor relations laws and collective bargaining agreements between local boards of education and their employees. The new board assumes certain duties previously held by the state Board of Education and the state superintendent of schools.

Historical information on average teacher pay going back to 1977-78 is available on the SREB website at www.sreb.org/page/1353/data\_library\_teachers.html.

# Health care coverage expands

## Facilities and construction

Kentucky and Maryland addressed the nationwide trend of moving toward more efficient and environmentally conscious public facilities. The Kentucky Department of Education and school districts are encouraged, when building new school facilities or undertaking major renovations of existing school facilities, to utilize efficient building designs that result in lower operating costs and a diminished environmental impact. Maryland's community college projects that receive state funding now must comply with the state High Performance Buildings Act, which requires most new and renovated state buildings to meet certain standards of energy efficiency.

In other actions, new or completely renovated public school facilities in Maryland occupied after 2012 must include a gymnasium and support spaces for physical education. Kentucky allows nonprofit entities, such as school boards, to lease property from government entities for the purpose of constructing school buildings.

West Virginia legislation establishes new provisions governing the financing, construction, and purchase and leasing of facilities at state institutions of higher education, and it requires the Higher Education Policy Commission to establish standards for evaluating institutional requests for tuition and fee increases.

## Safe schools and at-risk students

Issues relating to the school environment and student safety were the focus of discussion in several states. Delaware law increases from 9 years old to 12 the minimum student age at which school officials are required to report misdemeanor crimes to law enforcement. Georgia increased the possible charge to a felony for a child who brings particular weapons within a certain distance of a school building, school function or school zone.

Louisiana districts must amend the student code of conduct to prohibit cyberbullying of a student by another student. Mississippi prohibits actions that create a hostile environment for students or school employees, such as: gestures; written, electronic or oral communications; or physical acts.

In other actions, Kentucky passed two bills relating to suicide prevention. One bill requires middle grades and high schools to disseminate suicide prevention awareness materials to all students each year. The other bill requires all middle grades and high school principals, counselors and teachers to spend at least two hours every year reviewing suicide prevention materials.

North Carolina refined the identification of students at risk for academic failure to include students who are not successfully progressing toward grade promotion and graduation. School districts must identify at-risk students no later than grade four; previously, the statutes required only that schools make the identification "as early as can reasonably be done."

A special community-development school pilot program will serve disadvantaged, minority and underachieving students in West Virginia. Another bill establishes

Bills aim to keep students safe uniform standards for alternative learning centers and creates up to five pilot projects for disruptive elementary and middle grades students to learn appropriate behaviors so they can return to regular instruction.

Oklahoma's Education Bill of Rights for Children in Foster Care requires school districts to take specific measures to ensure that the educational needs of children in foster care are met.

More information can be found in *Adult Mentors Guide Students to Wise Choices* in Preparing for Further Study and Employment and Giving Students Extra Support to Meet Standards in Challenging Academic and Career Courses at www.sreb.org.

## Actions for disabled students

Several states passed legislation addressing the needs of students with disabilities. Bills in Delaware bring state statutes and regulations in compliance with the federal Individuals with Disabilities Education Act (IDEA). Also bills establish the Deaf or Hard of Hearing Child's Bill of Rights and make American Sign Language a "world language" under the state's school curriculum.

Florida legislation expands the eligibility criteria for scholarships that allow students with disabilities to attend private schools. Oklahoma established the Lindsey Nicole Henry Scholarship for Students with Disabilities to provide scholarships to eligible private schools for students with disabilities who have an individualized education program.

Louisiana and North Carolina addressed disabled students who may be disruptive in the classroom. Louisiana's state Board of Education will adopt guidelines for the appropriate use of seclusion and restraint of students with disabilities. North Carolina schools must allow the parents of a student with disabilities to prohibit the school from administering corporal punishment to their child. The bill further requires each local board of education to report annually to the state Board of Education the number of times that corporal punishment was administered.

More information can be found in the upcoming SREB report, Focus on How SREB States are Addressing the Education Needs of Children with Autism.

# The teaching profession

Reform measures designed to strengthen teaching were passed in several states and in many cases, the federal Race to the Top competition was referenced in the legislative deliberations. Legislation in Delaware, Louisiana, Maryland, Oklahoma and Tennessee tie teacher evaluation to student performance growth. In order for teachers in Delaware to receive tenure, they must show two years of satisfactory student growth in a three-year probationary period. In Maryland, teachers will now need three years (instead of two) to receive tenure. In addition, non-tenured teachers must be evaluated annually and student achievement growth must be a significant part of the evaluation. Reforms tie teacher evaluations to student performance Highly rated teachers in Oklahoma will reach "career" status in three years; those with ratings in the middle of the evaluation scale may reach this status after four years. Districts will dismiss probationary teachers who fail to reach career status within four years, as well as "career" teachers who receive low ratings for three consecutive years or whose average ratings fall below "effective" for a five-year period.

Beginning with the 2012-2013 school year, student achievement growth measures in Louisiana will make up 50 percent of each teacher's and administrator's evaluation. Teachers who meet standards for effectiveness set by the state Board of Education for three years during the initial certification or renewal process will earn their initial certificates or renewal. The state Board will not issue a certificate or renewal for those teachers who do not meet the effectiveness standards for three years.

Tennessee's teacher evaluation advisory committee will write evaluation guidelines that rely heavily on student achievement data and factor into employment decisions. Student achievement data will make up 50 percent of the evaluation criteria, with 35 percent based on student growth data (or a measure agreed upon by the evaluator and the teacher being evaluated) and 15 percent on other measures of student achievement developed by the committee. If a teacher's or principal's student growth data reach a level set by the state Board, then the growth data may make up 50 percent of the evaluation.

Oklahoma legislation aimed at improving student achievement creates the Teacher and Leader Effectiveness Evaluation System (TLE). A total of 50 percent of a teacher's or school leader's evaluation will be based on performance measures, of which 35 percent will be based on student achievement growth using multiple years of student assessment data and 15 percent on other academic measures. Rigorous qualitative measures will comprise the remaining 50 percent of the evaluation. Districts will not reemploy career teachers who have been rated as "ineffective" for two consecutive years or as "needs improvement" for three consecutive years.

Incentive pay also was a part of teacher reforms in a few states. Oklahoma permits local school districts to implement new types of incentive pay plans, approved by the state Board of Education, that reward teachers and school leaders for student and school performance growth. Teachers achieving either a "superior" or "highly effective" rating on the TLE, as well as grade-level, subject-area or school-level performance success, will receive an incentive award. Another bill amends the Academic Achievement Award program to provide awards to qualified employees at certain high-achieving schools. Previously, the program allowed awards to the top four schools in the state with high achievement in specific categories.

Maryland legislation requires the state Board of Education to establish a program providing locally negotiated incentives for highly effective teachers and principals who teach in certain low-performing schools and schools with the highest proportion of students eligible for free and reduced-price meals.

Relative to teacher certification and general qualifications, North Carolina requires all persons who, as of October 1, 2010, are working as teaching staff in licensed day care centers (as licensed family child-care home providers or as child-care

States consider incentive pay for teachers administrators) to have their educational qualifications certified by the North Carolina Institute for Child Development Professionals by July 1, 2012.

Kentucky created a one-year, temporary, provisional teacher certification for Teach for America participants; the certification is renewable twice. Oklahoma extended the maximum length of temporary teacher contracts from three semesters to four. The bill prohibits local school systems from rehiring a temporary teacher for an additional school year immediately after his or her initial year of temporary hire.

Oklahoma now allows local school districts to hire principals and superintendents accredited by another state's education authority, rather than only those accredited by the Oklahoma State Department of Education.

Oklahoma legislation allows teachers who are certified in elementary education prior to July 1, 2010, to become certified in early childhood education by meeting requirements in law and successfully completing the appropriate subject area examination by July 1, 2012. Likewise, a teacher certified in early childhood education may become certified in elementary education, and any certified teacher may become certified in special education by meeting similar requirements. The legislation also amended alternative teacher certification by requiring two years of work experience (instead of three) related to the subject area of specialization.

North Carolina and Tennessee addressed policies regarding the dismissal of teachers. In North Carolina, a tenured teacher who is recommended for dismissal is allowed to resign without a written agreement from his or her school system superintendent. A teacher who resigns under this provision voluntarily surrenders the teaching certificate for up to 45 days while the state Board of Education determines whether to suspend or revoke that certificate. Tennessee teachers may demand an impartial hearing on suspension or dismissal charges, as well as appeal the hearing decision.

In other actions relating to the teaching profession, Delaware requires student teacher candidates to undergo the same criminal background check that is required for all prospective public school employees. Florida will now provide tuition and fee waivers to public school teachers for up to six credit hours of undergraduate courses each semester under certain circumstances. Courses are limited to the areas of special education, mathematics and science.

Oklahoma prohibits a local district from employing a substitute teacher for longer than 90 days in a school year. Louisiana provides teachers, administrators and other school personnel with classroom management training.

Maryland legislation creates a task force to study teacher attrition, retention and growth in the state and make recommendations to the Legislature in 2011.

Information on teacher development can be found in *Building the Capacity* of School Leaders and Teachers to Implement Reform at All Levels; Expanding Teachers' Capacity to Promote Learning Through Reading, Writing and Mathematics in All Classes; and Teacher Development to Increase College and Career Readiness — Guidelines and Promising Practices for States at www.sreb.org. Temporary certification laws change

## Student financial aid

Financial pressures on funds that support merit-based student assistance programs continue to mount. In 2009, Georgia amended the law passed in 2004 that addressed policies to implement if lottery revenues that support the merit-based HOPE scholar-ship decline. West Virginia capped the maximum award for its PROMISE scholar-ship, and Florida's Bright Futures scholarship did not cover tuition increases approved for 2009-2010.

Actions taken during the 2010 sessions continue to deal with these financial pressures. Florida's Bright Futures scholarship again will not cover tuition increases. Georgia eliminated funding for several programs within the HOPE scholarships directed at prospective or current teachers. The General Assembly did, however, create a new, needs-based scholarship (the HOPE College Opportunity Grant), to be awarded as a supplement to other financial assistance, not to exceed the total cost of college attendance. It is estimated that eligible students will receive about \$100 each.

Florida is tightening qualifications for its Bright Futures scholarship program by raising qualifying ACT and SAT scores annually for several years. The awards cover 100 percent of the credit hours required for a two- or four-year degree (down from 110 percent), and students are eligible to use their award for five years, instead of the previous seven.

Declines in investment income and rising tuition costs created a shortfall in the Alabama Prepaid Affordable College Tuition (PACT) program, in which individuals pay a fixed amount toward tuition and fees for a student's future college education. As a result, PACT suspended new enrollments indefinitely. The state will have to make yearly installments through 2027 until the shortfall is repaid.

Scholarship opportunities in some states will expand or provide more flexibility. Legislation in Arkansas set up the new lottery-funded, merit-based scholarship program that voters approved (along with the lottery) in 2008. Scholarships for full-time students at four-year institutions equal \$5,000 per year, while scholarships for students at two-year institutions equal \$2,500 per year. Awards also are available for part-time students. A student's financial aid package may not exceed the cost of attendance. If the total financial aid package of a student who is receiving a lotteryfunded scholarship exceeds the cost of attendance, the institution awarding the aid must first reduce funds from the lottery-funded scholarship.

Louisiana is increasing the book and educational expense allowances to Louisiana National Guardsmen who receive the merit-based TOPS scholarship — composed of three types of award tiers. Opportunity and Tech awards rise to a maximum of \$300 per semester from \$100 per semester, Performance awards increase to a maximum of \$700 per semester (up from \$350), and Honor awards rise to \$1,100 per semester (previously, \$550).

Delaware legislation increases flexibility for students who lived in foster care under the Department of Services for Children and Their Families and who seek an award from the merit-based SEED scholarship program, which provides assistance

Some states expand scholarship programs to students seeking an associate's degree. In another bill, the Delaware secretary of finance will develop a mechanism for taxpayers to deposit a state income tax refund directly into the Delaware College Investment Plan.

In a September special session, the Delaware Senate took up a bill awarding scholarships to freshmen at Delaware State University that was held up during the regular session. The Inspire scholarship program is comparable to the merit-based SEED scholarships — students seeking two-year degrees are eligible for SEED awards, but Delaware State offers no two-year degrees. Inspire awards will provide aid to Delaware high school graduates during their first two years at Delaware State if they maintain a grade-point average of 2.75 and meet other requirements.

In other actions relating to student financial assistance, the Georgia Student Finance Commission (GSFC) will define a legal state resident for the purpose of eligibility for HOPE scholarships and grants.

Maryland established in state statutes the current practice that, in addition to scholarships and grants, all other statewide student financial assistance programs are awarded or administered by the Office of Student Financial Assistance within the Maryland Higher Education Commission.

South Carolina is providing a one-year grace period from payments for individuals who received a South Carolina Teacher Loan and completed their education degrees in 2009 or 2010 but who were not employed in a South Carolina public school by September 1, 2010.

More information on student financial aid and other higher education data are available in the 2009 SREB Fact Book on Higher Education, SREB Data Exchange Highlights and in the Featured Facts report for each SREB state. These reports and 2010 updates on the Fact Book data can be found at www.sreb.org.

#### Innovation in education

Again, referencing the federal Race to the Top competition, several states passed bills to promote innovation in the schools in areas such as charter schools, virtual educational opportunities and increased operating flexibility.

Charter schools were the subject of actions in Mississippi, Oklahoma and Virginia. Mississippi legislation allows the state Board to approve a limited number of public schools to convert to charter schools when requested by the parents or guardians of students attending chronically underperforming public schools. The state Board may approve up to 12 conversion charter schools — with no more than three in each of the state's four congressional districts — during a six-year period beginning July 1, 2013.

Oklahoma bills remove the cap on the number of new charter schools established annually and expand the types of schools eligible for charter school sponsorship. Schools on the state's school improvement list are now eligible. In addition, the state Board of Education may sponsor the Office of Juvenile Affairs in creating a charter States expand charter school opportunities school, and federally recognized Indian tribes may sponsor charter schools for the purpose of native language immersion instruction.

Virginia's state Board of Education now will have a role in charter school application approvals. A charter school applicant will submit its application to the state Board for review prior to submitting it to a local board for approval. Also, the bill allows a charter school applicant to petition for reconsideration of a local board's decision to deny, revoke or not renew its application.

More states are looking to provide options to students through virtual educational opportunities. In Maryland, local boards of education may establish virtual schools on or after September 1, 2011, with State Department of Education approval. Virginia has authorized the state Board of Education to adopt policies, by January 31, 2011, allowing accredited "multi-division online providers" to provide online courses and virtual school programs in the state. North Carolina created a funding formula with a "sustainable source of funding" for North Carolina Virtual Public School, which provides online courses to students in the state's public high schools.

States are allowing districts more operating flexibility to improve student achievement by making provisions for waivers from certain state laws and regulations. In Louisiana, local school districts may apply for waivers if a majority of teachers at the school vote in favor of the request. Waivers are effective for up to four years, though low-performing schools must meet specific measures within two years of receiving a waiver. North Carolina's Cooperative Innovative High School Programs will now receive the same exemptions from statutes and rules that charter schools receive, with the exception of those regarding school personnel. These high schools, in partnership with local colleges and universities, offer accelerated learning opportunities or target high school students who are at risk of dropping out before graduation.

In Oklahoma, the Empowered Schools and School Districts Act relaxes state education mandates for a school, a group of schools, or a school district that implements an empowerment plan based on education innovations in areas including curriculum and academic standards, accountability measures and teacher recruitment, and employment or training. The local board must review the plan every three years to determine whether academic performance measures in the plan are achieved.

West Virginia's "school innovation zones," created through legislation passed in 2009, now have more flexibility relating to the selection of instructional programs and assessment tools that are used in schools meeting adequate yearly progress requirements. Another bill allows schools and their teachers to replace certain mandated school committees with collaborative teams.

To read more about virtual educational opportunities, see An Expectation of Sharing and the 2009 Report on State Virtual Schools in SREB States at www.sreb.org.

Relaxing requirements may improve student achievement

## Persistently low-performing schools

What to do about persistently low-performing schools was on the top of legislative agendas in a number of states. Bills in Kentucky, Mississippi, North Carolina and Oklahoma set procedures for restructuring schools that fail to perform for several consecutive years.

Kentucky and North Carolina provide options for reforming the schools that involve, for example, changing the management, replacing staff or closing the school. Oklahoma, too, offers intervention models from which to choose. In addition, Oklahoma's bill creates a system for identifying persistently low-performing schools. Another bill targets school systems with more than 30,000 students — it allows local school systems to replace all or most of the staff in a school identified as needing improvement for four consecutive school years.

Low-performing schools in Mississippi will become New Start Schools under the Mississippi Recovery School District, created in 2009 to manage and oversee lowperforming districts under state control. Tennessee's state commissioner of education may assign schools or school systems that have not met state performance standards for at least three years to an Achievement School District (a new unit of the state Department of Education to provide operational oversight). After five years of meeting performance benchmarks, the schools or school systems may transition back to the control of the local board of education.

Louisiana passed a bill aimed at improving student achievement that creates a process for local school districts to apply for waivers from certain state provisions. Low-performing schools will have to meet specific measures within two years of receiving a waiver for improving teacher effectiveness, quality of instruction and student academic achievement. Mississippi and Oklahoma are expanding charter school opportunities to low-performing schools.

Georgia created a competitive grant program for local school systems to implement school reform measures in selected high schools, with priority for grants given to chronically low-performing high schools.

More information can be found in *Building the Capacity of School Leaders and Teachers to Implement Reform at All Levels; School Leadership Change Emerging in Alabama: Results of the Governor's Congress on School Leadership;* and *The Three Essentials: Improving Schools Requires District Vision, District and State Support, and Principal Leadership* at www.sreb.org.

#### High school graduation rates and college/career readiness

Bills in North Carolina, Georgia, Kentucky and Florida recognize that early intervention and a sharper focus on high school graduation are critical to success for some students. North Carolina's Cooperative Innovative High School Programs encourage school districts, in partnership with local colleges and universities, to create high school programs that offer accelerated learning opportunities or that target high school Bills target low-performing schools Preparation for college and careers starts early students who are at risk of dropping out before graduation. Legislation passed in 2010 requires districts to identify at-risk students by the fourth grade. (Previously, it was as early as possible.) The districts must develop personal education plans for academic improvement for all such students to increase their chances of educational success.

The Georgia Student Finance Commission will now provide students in grades six through 12 with Web-based counseling advisement, career awareness inventories, and information to assist them in evaluating their academic skills and career interests and in developing graduation plans. Another bill allows students in grades six through eight to receive counseling and participate in career awareness programs for the creation of an individual graduation plan in eighth grade as a part of the Building Resourceful Individuals to Develop Georgia's Economy (BRIDGE) program.

Kentucky legislation aims to improve the ability of middle grades and high school students to read and comprehend complex materials in core subjects. The Kentucky Department of Education will identify reading skills in each subject area that align with the state's curriculum and will identify teaching strategies that develop those skills. In addition, it will encourage the development of reading plans that improve reading comprehension.

Florida amended high school graduation requirements for students entering ninth grade (beginning in 2010-2011) to require specific and more rigorous math and science courses. The bill also addresses end-of-course assessments. (See the section on assessment and student data for more information.)

State legislators also discussed student assessment relating to high school completion. Georgia legislation allows the state Board of Education to consider the passage of an industry certification examination or a state licensure examination when deciding whether to grant a student waiver for portions of the Georgia High School Graduation Test. In Florida, accelerated students may receive credit for high school courses with satisfactory performance on the statewide end-of-course examinations.

In actions aimed at assisting accelerated students, Georgia legislation allows high school students to receive secondary and postsecondary credit for completing any articulated or dual enrollment course. Florida will require by 2011-2012 that all public high schools offer advanced programs, such as the International Baccalaureate program, Advanced Placement or dual enrollment classes. Kentucky intends to expand Advance Kentucky (a mathematics and science initiative to boost student achievement on Advanced Placement examinations) from 12 to 32 schools over four years.

With an eye to increasing high school graduation rates, North Carolina's state Board of Education will develop annual goals for improvement in four-year graduation rates by school districts, beginning with the high school graduating class of 2011. The overall goal is to raise the statewide graduation rate to 100 percent. Annual goals set in the law increase gradually to 90 percent by 2018.

West Virginia wants to keep students in school and provide them with extra help to ensure their success. Legislation raises the state's dropout age from 16 to 17 years while also reducing the number of unexcused student absences permitted from 10 days to five days. Financial support for alternative education programs will increase. In addition, the High School Graduation Improvement Act increases the diversity of instructional delivery strategies, implements a statewide dropout intervention and prevention program (including a credit recovery program), and improves career/technical education.

Other options for students were addressed in Louisiana and Mississippi. Louisiana courts are permitted to require truant students under age 18 who withdraw from high school before graduating to choose one of three options within 120 days of leaving school. The students may re-enroll in school and make continuous progress toward completing graduation requirements, enroll in a high school GED program and make continuous progress, or enlist for two years in the Louisiana National Guard or a branch of the United States Armed Forces.

Mississippi created an alternative curriculum track for students wishing to pursue a diploma in career/technical education studies, allowing students to graduate with a standard diploma and earn course credits toward community college certification in a career/technical field.

More information on college/career readiness and student achievement can be found in *Beyond the Rhetoric: Improving College Readiness Through Coherent State Policy; A Critical Mission: Making Adolescent Reading an Immediate Priority in SREB States; Participation and Success in the Advanced Placement Program Continue to Grow in SREB States; Adult Mentors Guide Students to Wise Choices in Preparing for Further Study and Employment; New Data Reveal Percent of College Credits Taken by High School Students; The Next Generation of School Accountability: A Blueprint for Raising High School Achievement and Graduation Rates in SREB States*; and *Ready for Tomorrow: Six Proven Ideas to Graduate and Prepare More Students for College and 21st-Century Careers.* Look for upcoming reports on high school graduation requirements related to the math curriculum and on state policies tying teens' drivers' licenses to school performance and attendance. All can be found at www.sreb.org.

#### College completion

Legislatures took actions to address low college completion rates and the difficulties that students face when they transfer from two-year to four-year colleges and universities. Policies in Kentucky, Mississippi and Tennessee address the need to better coordinate between two- and four-year institutions. Kentucky's Council on Postsecondary Education will develop a statewide course credit alignment system between two- and four-year colleges. The system will utilize both general education and program-specific "learning outcomes" and will establish a statewide uniform course-numbering system. For students who enroll for the first time beginning in 2012-2013, colleges and universities are encouraged to limit degree requirements to 60 credit hours for associate's degrees and 120 hours for bachelor's degrees. Policies help streamline college transfer Under a new articulation policy approved by Mississippi's two higher education systems, elementary education majors enrolled in two-year colleges may transfer 62 credit hours to any of the state's four-year universities. This transfer agreement builds on an earlier action where the Board of Trustees of State Institutions of Higher Learning approved a policy that guarantees 30 transferable credit hours, not including developmental or technical courses, to students who receive an associate of arts degree from a community college.

Tennessee legislation calls for the development of a coordinated community college system, implementation of a community college course-numbering system, and a course listing that clearly identifies transferable and non-transferable courses by fall 2011. Also, 60 hours of course work (41 hours of general education course work common to all Tennessee state colleges and universities, plus 19 hours of pre-major course work) will transfer as a block from two-year to four-year colleges. By July 2012, four-year colleges will no longer offer remedial courses, except in certain circumstances, and students accepted into both a two- and four-year college may enroll at both.

Florida, Louisiana, North Carolina and Tennessee are taking varying approaches to increase degree completion on their college campuses. The New Florida Initiative is designed "to create a new Florida economy based on knowledge and innovation" and support research and education efforts in science, technology, engineering, mathematics and medicine. Expected outcomes include increased college-degree production, new faculty positions that would bring in additional research funding, an increase in patent awards and medical breakthroughs.

Following the recommendations of a postsecondary review commission in Louisiana, the Legislature passed the Louisiana Granting Resources and Autonomy for Diplomas (GRAD) Act. Provisions of the act provide institutions with limited operational autonomy and flexibility, plus tuition and fee authority. In exchange, institutions commit to improve graduation rates and achieve other performance measures set by the state. Institutions that meet specific performance measures may raise tuition rates by up to 10 percent.

North Carolina's Education Cabinet will prioritize increasing the number of students earning postsecondary degrees in science, technology, engineering and mathematics, and reducing the gap between needed workers and available jobs in those fields by 2015. As part of this effort, the Cabinet will encourage collaboration between high schools and institutions of higher education.

Tennessee legislation requires the Higher Education Commission to develop an outcomes-based statewide master plan that focuses on increasing college graduation rates. The legislation ties each institution's state-funded budget to the achievement of specific outcomes, including end-of-term enrollment, student retention, timely progress toward degree completion, and degree completion.

More information can be found in No Time to Waste: Policy Recommendations for Increasing College Completion; A Paradox of Education Progress; Promoting a Culture of Student Success: How Colleges and Universities are Improving Degree Completion;

States focus on degree completion A Smart Move in Tough Times: How SREB States Can Strengthen Adult Learning and the Work Force; and Teacher Development to Increase College and Career Readiness — Guidelines and Promising Practices for States at www.sreb.org.

#### Education governance

Higher education governance has been a topic of discussion in Florida for a number of years. Legislation in 2000 revamped the statewide governance by eliminating the state Board of Education, state Department of Education, Board of Regents and State Board of Community Colleges in favor of a new Florida Board of Education, responsible for all levels of education, and individual university boards of trustees. A 2002 constitutional amendment re-created a statewide board to govern the university system, but the institutional boards remained in operation, causing questions about where various responsibilities and authorities fell. Legislation in 2010 clarifies the structure by establishing the Board of Governors' (BOG) authority over the university boards of trustees and the university personnel system, and under which boards various authorities fall.

Delaware dissolved the Delaware Higher Education Commission and vested the commission's functions with the Delaware Higher Education Office within the Department of Education.

In other actions affecting education governance, the Kentucky General Assembly confirmed a 2009 executive order that reorganized the Kentucky Department of Education. Louisiana moved the adult education program from the Department of Education to the Louisiana Community and Technical College System. Delaware modified the responsibilities of the state's Management Resource Committee and Early Childhood Council to align the operations of those entities with guidelines under the federal Head Start program, and Maryland established the Governor's P-20 Leadership Council of Maryland in state statutes.

More on K-12 education governance is available in *Focus on Governance in K-12 Education: Local-Level Models* and *Focus on Governance in K-12 Education: State-Level Models* at www.sreb.org. Information on coordination and governance in higher education can be found at http://www.sreb.org/page/1128/coordination\_\_\_ governance.html.

## Assessment and student data

Several states amended provisions relating to state assessment systems. Florida and Tennessee passed legislation calling for results of assessments to count toward a student's final course grade. In Florida students entering ninth grade in 2011-2012 will have to pass an end-of-course assessment in Algebra I. Students entering high school in 2012-2013 also are required to pass assessments in Biology I and geometry. If other statewide end-of-course assessments are developed, they will count as 30 percent of the student's grade in the course. Laws clarify education governance Results from the Tennessee Comprehensive Assessment Program (TCAP) test for grades three through eight will comprise 15 percent to 25 percent of each student's final grade for the spring semester in language arts, mathematics, reading, science and social studies. The policy must utilize performance levels determined by the state Board of Education and take effect in the spring semester of 2011. The bill also sets a testing window of two consecutive weeks for the administration of the TCAP tests.

In other actions, South Carolina is suspending writing assessments for grades three, four, six and seven in the 2010-2011 school year. Louisiana legislation expands the types of high-stakes standardized assessments offered through the Louisiana Education Assessment Program (LEAP) that students in grades three, five, seven and nine must take each year. Beginning this school year, instead of just one nationally norm-referenced test, LEAP may annually administer one national norm-referenced test, one criterion-referenced test or one augmented norm-referenced test (a normreferenced test that is enhanced to align with state standards).

Louisiana also prohibits any achievement or performance data for students within the juvenile justice system from use in calculating any school or district performance score or measure for a city or local school system where a facility is located.

School improvement plans in North Carolina are now required to use a valueadded assessment system, approved by the state Board of Education, which recognizes student achievement growth.

SREB states have been working on improving the collection of student data that in turn support accountability and school improvement efforts. Maryland's statewide student data system cannot yet identify teachers or track a student into higher education once he or she graduates from high school. Legislation requires the data system to reach full operational status by the end of 2014 and to follow students at every level of education, as well as into their first five years in the state's work force.

Tennessee will work on more precise dropout rate calculations. Local systems can now use reasonably obtainable information to determine whether a student who left the school system enrolled elsewhere, or moved out of the state and enrolled in a different system. Furthermore, the state will count a student who obtains a GED diploma or certificate as a graduate of the high school he or she attended (or was eligible to attend), except where inclusion of such data is prohibited by federal law.

Information on student progress, data systems and other measures is available in *Moving Ahead: 2010 Progress Report on the* Challenge to Lead *Goals for Education* for each SREB state. To read about the use of employer certification examinations, see *Measuring Technical and Academic Achievement: Employer/Certification Examinations' Role in High School Assessment*. The reports are available at www.sreb.org.

#### Other actions affecting higher education

During 2010 legislative sessions, Florida and Kentucky approved new university programs, subject to the approval of the appropriate higher education board in the

Tests to count toward end-of-course grades states. Florida authorized the creation of a Doctor of Medicine program at Florida Atlantic University, and Kentucky allows each of the six state universities to establish doctoral programs in nursing.

In North Carolina, a new planning commission is responsible for developing a plan for a regional school of agriscience and biotechnology by the end of 2010.

West Virginia state colleges and universities are required to implement degree programs designed for military veterans and to provide services and facilities for the unique needs of veterans.

Continuing the multi-year expansion of the role of the two-year college system in Florida, legislation changes the names of four community colleges to reflect their status as colleges offering four-year degrees.

Maryland legislation in 2007 established a Higher Education Investment Fund and increased the state corporate income tax rate from 7 percent to 8.25 percent. Since that time, 6 percent of the state's corporate income tax revenues were deposited into the fund. The fund is now permanently authorized, and an account within the fund will stabilize tuition costs for in-state undergraduate students at public four-year colleges and universities.

North Carolina legislators established a Student Protection Fund to reimburse students who prepay tuition at proprietary schools that subsequently go out of business before complete instruction is provided. Each proprietary school is required to pay an initial \$1,250 fee per school into the fund, as well as to make annual payments based on the school's annual gross tuition revenue.

#### Other issues relating to elementary and secondary education

Georgia and Tennessee are hoping to attract donations to help support educational programs. Georgia created the Georgia Foundation for Public Education as a public organization that solicits and accepts contributions in support of educational excellence in the state, in addition to other functions. Tennessee schools may establish an International Baccalaureate program or Advanced Placement fund to receive donations or grants from individuals or corporations in support of either program.

North Carolina and Oklahoma addressed elective courses. The North Carolina state Board of Education will develop honors-level courses in healthful living education at the high school level. In addition, it will develop a comprehensive arts education development plan for public schools. Oklahoma school districts may offer elective courses on the *Bible* in grades nine through 12.

Louisiana authorized the state Board of Education to adopt a uniform grading scale for use by public elementary and secondary schools and other public schools and programs. Another bill includes the Office of Juvenile Justice's education program in the state's school funding formula.

Maryland now requires students enrolled in GED courses to take end-of-course, subject-area tests. The bill also allows students who are at least one grade level behind

New university programs are on the horizon other ninth-graders (previously, two grade levels behind) to participate in the GED program.

Oklahoma's state Board of Education must revise and align the English, language arts and mathematics curriculum with the K-12 Common Core State Standards as developed by the National Governors Association Center for Best Practices and the Council of Chief State School Officers.

North Carolina and South Carolina policies support the religious freedoms of students. North Carolina requires public school principals, the State Board of Community Colleges, and the Board of Governors of the University of North Carolina System to adopt policies that authorize a minimum of two excused absences each academic year for students' religious observances. South Carolina's Religious Viewpoints Antidiscrimination Act prohibits a school from discriminating against a student based on his or her religious viewpoint and expressly allows students to form religious school groups or gatherings at schools to the same extent that students are permitted to form nonreligious groups or gatherings at schools.

Tennessee law prohibits schools and local boards of education from separating multiple-birth siblings into different classrooms solely due to these children being multiple-birth siblings.

Local school boards in Virginia may purchase printed textbooks, printed textbooks with electronic files, or electronic textbooks for use in grades six through 12. West Virginia allows schools to use textbook funding to purchase electronic instructional materials.

Bills in Virginia authorize the creation of College Partnership Laboratory Schools by any public postsecondary institution that operates an approved teacher education program. Laboratory schools operate as public schools, and classes are taught by teachers who work as employees of the postsecondary institution.

Summaries of SREB states' final legislative actions are available upon request. To order any publication listed in this report, contact the Southern Regional Education Board. The reports and the *2010 Legislative Report: Final Legislation and Budget Actions* also are available at www.sreb.org.

This report was compiled by Gale F. Gaines, vice president, State Services, based on the *2010 Legislative Reports*, written primarily by Jeffrey Grove, research associate, State Services; and Asenith Dixon, State Services coordinator. For more information, contact Gale Gaines at (404) 875-9211, Ext. 282, or gale.gaines@sreb.org; Jeffrey Grove at (404) 875-9211, Ext. 254, or jeffrey.grove@sreb.org; or Asenith Dixon at (404) 875-9211, Ext. 337, or asenith.dixon@sreb.org.

Policies support students' religious freedom