



Legislative Report

*A summary of final legislative actions
in the 16 SREB states based on the
2011 SREB Legislative Reports*

2011 Final Report
September 2011

SREB

Final legislative and budget actions

Alabama (<http://www.legislature.state.al.us/>)

The Alabama Legislature adjourned after passing a state General Fund budget that will support government operations, excluding education, for the fiscal year beginning October 1, 2011. The \$1.8 billion appropriated is 11.4 percent more than the 2010-2011 budget. Federal recovery funds are no longer available when the new fiscal year opens. State employees, teachers, and college and university employees will not receive a cost-of-living increase in 2011-2012. In addition, House Bill 414 requires these employees to pay more in employee retirement contributions, rising from the current 5 percent to 7.5 percent by 2012-2013.

In 2002, the Legislature created a Deferred Retirement Option Plan (DROP) to assist state and education employees who choose to continue working rather than retire. DROP allows employees who are at least 55 years of age and have 25 years of creditable service to continue working, earning a salary in lieu of receiving retirement benefits. Employees may participate in the program for three to five years. During this time, the benefits that the employee would have received had he or she retired accrue in a separate, interest-bearing account that the employee will collect once he or she leaves the plan and retires. Due to the increasing cost to state retirement systems, the Legislature passed Senate Bill 72, which prohibits new state and education employees from participating in the plan. The legislation also decreases the interest rate on pension allowances deposited into the DROP account and creates the “Keeping Alabama’s Best” Joint Interim Legislative Committee on Teacher and Public Employee Retention. The six-member committee will study methods for keeping the best and brightest state and education employees in service and will report its findings by the 2012 legislative session.

The Education Trust Fund budget, which supports education and education-related expenses, will total about \$5.6 billion, up 4.5 percent compared with the operating budget for 2010-2011 (up 1.7 percent when compared with the enacted budget that was reduced midyear by 3 percent). Higher education will operate with \$1.5 billion in state funds, up 3.5 percent when compared with the 2010-2011 operating budget. State funds will rise 5.5 percent (to \$1 billion) for four-year institutions and fall 0.6 percent (to \$320.1 million) for two-year colleges. At four-year institutions, increases to tuition and required fees for in-state undergraduates range by institution from 6 percent to 16.8 percent.

Southern
Regional
Education
Board

592 Tenth St., N.W.
Atlanta, GA 30318
(404) 875-9211
www.sreb.org

The K-12 education budget will total \$3.9 billion, an increase of 4.4 percent, which includes 5.1 percent more in school formula funds (totaling \$3.6 billion) compared with the 2010-2011 operating budget. The State Department of Education will receive 6.9 percent less in state funding (totaling \$195.1 million). The budget eliminates some programs, including Positive Behavior Coaches (implemented this year to provide individualized behavioral support to improve school learning environments), 21st Century afterschool/extended-day programs (which were eliminated in the original 2010-2011 budget but received supplemental funding later in the year), and the state teacher mentoring program. Programs seeing small decreases include the Alabama Reading Initiative (down 1.2 percent); the Math, Science and Technology initiative (down 5.6 percent); and distance learning (down 3.1 percent). Other programs, such as Jobs for Alabama's Graduates, Advanced Placement, the Educational Television Commission, arts education and teacher recruitment, will operate with more significant reductions.

Early in the session, the Legislature approved House Bill 57, the Education Trust Fund Rolling Reserve Act, which is intended to provide more stable funding for education budgets. The bill caps the amount of Education Trust Fund appropriations starting with the 2012-2013 fiscal year and establishes the Education Trust Fund Budget Stabilization Fund, a reserve fund used only to prevent proration due to revenue shortfalls. The bill also establishes the Education Trust Fund Capital Fund to support the facility and equipment needs of public education.

Alabama amended its teacher tenure and dismissal policies through Senate Bill 310. The Students First Act maintains current regulations that require K-12 teachers to serve three complete consecutive school years and two-year postsecondary teachers to serve six complete consecutive semesters (excluding summer terms) prior to earning tenure. A teacher's creditable service is not transferable from one local school district to another, unless the school district that employs the teacher changes due to annexation, consolidation, school district formation or a similar reorganization. Tenured K-12 teachers must provide the local board with 30-day written notice of intent to terminate (down from 45 days).

The bill streamlines the dismissal process for terminating probationary teachers. It also changes grievance and hearing procedures for terminating tenured teachers. A tenured teacher who is recommended for dismissal by the local school superintendent in a written termination notice has 15 days to file a written request for a hearing after receiving the notice. The teacher must receive a hearing within 30 to 60 days of the date of the notice, instead of the current 20- to 30-day period. If the local board or the president decides to dismiss the teacher, the teacher may appeal to the state superintendent or the chancellor of the state Department of Postsecondary Education, as applicable, within 15 days of the termination notification.

Currently, a local superintendent (with approval from the local board) or two-year college president may suspend a teacher without pay for seven days. The legislation extends the maximum suspension period to 20 days and allows the superintendent or president to suspend the teacher either with or without pay. If the tenured teacher is suspended without pay for longer than 20 days, the teacher may challenge the suspension, using the termination hearing and appeals process.

During the hearing process, a suspended or terminated tenured teacher may continue to receive compensation and benefits until a final ruling is reached by the hearing officer or 75 calendar days have elapsed, whichever occurs first. But in cases of termination based on an act of moral turpitude, immorality, abandonment of job, incarceration or neglect of duty, the teacher will not receive any compensation or benefits. Currently, these teachers continue to receive compensation.

A local superintendent (with the approval of the local board) or two-year college president may transfer or reassign a teacher, at any time, to any position, grade or work location within the same feeder system of elementary and secondary schools, or campuses governed by the state Department of Postsecondary Education, for which the teacher is qualified. Tenured teachers may challenge a transfer or reassignment only under limited situations. The legislation also limits the ability of teachers to challenge: reductions to compensation or benefits, changes to the length of the work or school year, and unavoidable work force reductions beyond normal attrition due to decreased student enrollment or a shortage of revenues.

Other legislation

HB 56 prohibits, among its many provisions, noncitizens (unless the person possesses lawful permanent residence or an appropriate nonimmigrant visa) from enrolling in or attending any public postsecondary institution and from receiving any postsecondary education benefit. In addition, using a student's birth certificate, public elementary and secondary schools must verify whether the student is or is not a legal citizen. If the student is not a legal citizen, the school must report annually to the state Board of Education the number of such students and how many are participating in the English as a Second Language program.

HB 455 provides that an appointed superintendent position may remain vacant for no longer than 180 days (instead of the current 120 days). Within 90 days, the local board must announce a process and timeline for the posting and selection of the new superintendent. The board also may appoint an interim superintendent until a permanent one is selected.

SB 271 allows that in extreme circumstances involving natural, health-related or other extenuating occurrences that result in the cancellation of an instructional day, a local school board may submit a plan to the state superintendent to adjust the school calendar by extending the instructional time on specified instructional days.

Arkansas (<http://www.arkleg.state.ar.us/>)

Arkansas has weathered the economic downturn better than most states, and the Legislature approved a nearly \$4.6 billion general fund budget for 2011-2012, up 2.6 percent over the approved 2010-2011 budget. Higher education funding increased 1.1 percent to \$733.5 million, while funding for K-12 education rose 2.9 percent to more than \$2 billion (including \$1.9 billion in formula funding for schools, up 3 percent). The end of federal recovery funding had a negligible effect on Arkansas's

budget, as the state previously directed agencies to use stimulus funds only for one-time expenses and not for ongoing operating expenses.

Tuition and fees for in-state undergraduate students at public universities in 2011-2012 increased from 5.9 percent to 7.1 percent; community college students saw increases ranging from 6.5 percent to 9.6 percent.

Legislation reduced the grocery tax 0.5 percent, to 1.5 percent (Senate Bill 276) — the food tax was halved to 3 percent in 2007 and reduced by another penny during the 2009 session. Another bill (House Bill 1369) creates an annual, two-day sales tax holiday for clothing and school supplies.

Echoing the nationwide push to strengthen teacher evaluations, the Legislature approved House Bill 2178, establishing the Teacher Excellence and Support System. Under the system, which becomes effective in the 2014-2015 school year, state-level student assessments constitute one-half of the evidence used to evaluate classroom teachers. For teachers in content areas not tested by state-level student assessments, one-half of the evidence used for evaluation is either from external assessments or another measure determined by the state Department of Education. Other evidence for the evaluation may include professional development participation; classroom assessments (including samples of student work); and district, state or national-level assessments.

Evaluators will rate teachers according to four performance levels (Distinguished, Proficient, Basic and Unsatisfactory) and will use four evaluation categories — planning and preparation, classroom environment, instruction and professional responsibilities. The evaluation system applies to all classroom teachers, as well as to guidance counselors, library media specialists and special education teachers. In addition, the state Department of Education is required to help school districts develop and implement evaluations for administrative staff.

In 2005, the Legislature adopted a comprehensive statewide credit transfer policy for postsecondary students at state colleges and universities. To strengthen the course credit transfer system, this year the Legislature approved House Bill 1772. The legislation establishes a state minimum core curriculum (which consists of 60 hours of lower-division college course work, including 35 hours of general education core courses) and requires public four-year institutions to accept all credits earned under that core curriculum for students transferring into a baccalaureate degree program from a two-year institution.

The Arkansas Higher Education Coordinating Board, in conjunction with state colleges, universities and their faculties, will identify general education core courses, as well as other lower-division courses, that are acceptable for credit toward a degree at all state colleges and universities. Full implementation of the state minimum core curriculum will occur by July 1, 2012. The legislation limits the credit-hours required for degree programs to 60 for associate's degrees and 120 hours for bachelor's (except for degree programs exempted by the state or those with conflicting licensing or accrediting requirements). The bill also establishes a statewide common course numbering system for state colleges and universities.

Previously, the number of open-enrollment charter schools (schools newly started as charter schools, rather than those converted from traditional public schools) was limited to 24 statewide. With concerns over the negative effect that such a limitation may have, the Legislature approved Senate Bill 346. Under the bill, if the number of open-enrollment charter schools is within two schools of the maximum, the limit automatically increases by five.

Another charter school bill (Senate Bill 436) includes charter school teachers, teachers' aides and student teachers in the state's school worker defense program, which protects school employees from civil liability as a result of the performance of their duties. The bill establishes new reporting requirements for charter schools and requires a charter school to maintain a waiting list if it has more applicants for admission than spaces available. It also requires the state Department of Education to perform two end-of-semester reviews of the financial and student enrollment condition of an open-enrollment charter school during its first year of operation.

The Arkansas Opportunity Public School Choice Act of 2004 allows children attending schools rated for two or more consecutive years by the state as "in need of immediate improvement" to transfer to another public school. Previously, transportation costs for these students were the responsibility of the state. However, with the passage of Senate Bill 788, districts and charter schools receiving these transfer students may transport them to and from school. The cost of that transportation (up to a maximum of \$400 per student per year) is the responsibility of the school from which the student transferred. The bill also prohibits receiving school districts from denying these student transfers unless the school in question has reached its maximum student-to-teacher ratio under any federal or state law or regulation.

House Bill 1620 requires the state's Department of Career Education, Department of Education and Department of Higher Education to collaboratively develop college- and career-readiness program standards for career and technical education programs. The Department of Career Education also is required to provide technical skills assessments that determine whether a student is attaining the knowledge and skills needed for postsecondary education or for that student's chosen career education program.

The Legislature approved 19 bills intended to "strengthen the integrity" of the Arkansas Teachers Retirement System; several of the bills dealt with loopholes, technical corrections and minor cost-saving issues. One of two bills identified as "most important" by the retirement system is House Bill 1147, which limits the time period in which a plan participant may seek adjustments, additional payments or additional credits for up to five years from the date of an error. The second, House Bill 1212, requires plan participants who purchase credits for additional service to pay for the real value of that purchased service. (Previously, participants paid 55 percent of the value.) House Bill 1140 changes the method of calculating the final average salary of a system participant (used to determine the recipient's benefit level) to prevent manipulation of that average through the provision of bonuses or large salary increases in an employee's last years, a practice known as "spiking."

Other legislation

HB 1099 provides greater flexibility to schools in determining the start date of the academic year.

HB 1427 incorporates digital resources into the definition of instructional materials (such as textbooks) that local school districts provide.

HB 1617 requires the state Department of Education to issue rules under which a school district, college or university, or both institutions in partnership with one another may establish a postsecondary preparatory program for students in grades eight through 11 who are below college-readiness benchmarks in mathematics, English or reading.

HB 1893 modifies the teacher licensing process so that a teacher with a valid license in another state who moves to Arkansas is issued a standard five-year teaching license. The bill also provides a streamlined licensure process for professionals from other fields to obtain a provisional three-year teaching license, and it establishes a licensure process for teachers who have completed the Teach for America program.

HB 1937 mandates a study of the fairness of the distribution of lottery-funded Academic Challenge Scholarships as measured by numerous demographic factors.

SB 81 establishes new provisions governing alternative learning environments; each school district is required to provide one or more such environments, which are designed to eliminate barriers to academic and social progress that are affected by a student's personal characteristics or situation.

SB 344 requires the state Department of Education to establish a mentoring program for first-year school superintendents.

SB 711 requires a joint interim legislative study on the issues of adopting of an extended school year policy.

SB 788 defines under what conditions students may put on hold their lottery-funded scholarships, such as active military duty, medical conditions, family emergency or participation in a nonprofit humanitarian project.

Delaware (<http://legis.delaware.gov/>)

The Legislature approved legislation on a number of notable issues, such as redistricting, drug and foreclosure laws, civil unions and firearm regulations. Delaware's state-funded budget increased to \$3.5 billion for 2011-2012, a 6.2 percent increase over the prior year. This amount includes funds for a 2 percent salary increase for state employees, teachers, and college and university employees. In addition, the Legislature approved a grants-in-aid bill (House Bill 195) that provides \$41.2 million in additional state funds for local governments and law enforcement agencies, senior centers, community organizations, fire companies and veterans' organizations.

The capital budget provides \$40.5 million for higher education capital improvement needs (including \$7 million in general funds) and \$125.5 million for elementary and secondary education capital needs. The capital budget also provides \$55 million for the New Jobs Infrastructure program, promoted by the governor as one aspect of a larger initiative to attract private employers and create new jobs in the state. The initiative incorporates several tax reductions and tax credits designed to help create jobs, including increased tax credits for job creation and new tax credits for “clean energy technology” companies (Senate Bill 40), reductions to the franchise tax on banks and tax credits for banking organizations that add 200 or more jobs (Senate Bill 91), a reduction in the gross receipts tax on businesses (House Bill 127), reducing the tax rate on income above \$60,000 (House Bill 128), and reductions on electricity and gas taxes (House Bill 129).

State funds to the state Department of Education total \$1.1 billion (up 6.3 percent), including \$900.4 million for school district operations (up 7.5 percent). Transportation and block grant funding to schools declined to \$83.1 million (down 1 percent) and \$83.8 million (down 4.3 percent), respectively. Funding for higher education, which is included within the Department of Education, increased 28.7 percent to \$9.4 million. Most of the increase is for extra funding to the merit-based SEED scholarship program, which received \$4.4 million (up 42.3 percent). Another \$707,000 went to the merit-based INSPIRE scholarship program at Delaware State University, approved by the Legislature in fall 2010. The grants-in-aid bill approved during the regular 2010 session authorized Delaware State University to implement the program in fall 2010 using either operating general funds or federal recovery funds.

State funding for the University of Delaware declined 2.1 percent to \$113.3 million, while funding at Delaware State University remained level at \$32.2 million. State funding to Delaware Technical and Community College increased 5 percent to \$67.4 million. Tuition for in-state undergraduate students rose 7 percent at the University of Delaware and 5.5 percent at Delaware State University and at Delaware Technical and Community College.

Early in the session, the Legislature approved and the governor signed House Bill 1, which fully adopts a special education funding system that provides per student funding based on each special education student’s individual needs. Previously, special education funding was determined by assigning children to broadly classified groups. Since the 2004-2005 school year, the state has implemented the funding mechanism in phases. The bill codifies funding provisions that previously appeared as conditional language in the budget document.

In 2010, the Legislature established the Teacher Hiring Task Force to make recommendations so that Delaware school districts will hire teachers earlier in the calendar year. The recommendations of the task force were incorporated into Senate Bill 16, which the Legislature approved and the governor signed in April. Under the legislation, the state Department of Education will project enrollment for each school in March and, based on those projections, the department will guarantee a certain amount of funding so that schools may make offers of employment to new teachers in the late spring and early summer. The provisions of the bill are set to expire April 1, 2012, unless they are reapproved by the Legislature.

The Legislature addressed concerns over the rising cost of state employee benefits and pensions, resulting in the passage of House Bill 81. Beginning July 1, 2012, all state employees will pay increased health care contributions. Currently, state employees may opt not to pay an employee contribution. The legislation eliminates that option. For employees hired January 1, 2007, and later, the amount of state service required to receive 50 percent health care benefit coverage during retirement increases from 10 years to 15 years; however, the amount of state service required to receive full health care coverage in retirement remains at 20 years.

For state employees hired July 1, 2012, and after, the combined age and years of service required to receive full retirement benefits will increase; however, the ability to receive full retirement benefits at any age after 30 years of service remains unchanged. Retirement benefits for these employees are reduced at twice the rate if they opt for early retirement. These employees will fully vest in the pension system after 10 years (rather than five) and will make pension contributions at a higher rate than previously hired employees (5 percent as opposed to 3 percent). To address concerns that employees may work excessive overtime to inflate their retirement benefits, those hired after July 1, 2012, will not have overtime applied to their retirement benefits calculation. While previously hired employees may still apply overtime to their retirement benefits calculation, all executive branch agencies are required to develop policies to reasonably limit the use of overtime.

In response to numerous concerns regarding charter schools, the Legislature approved charter school reform provisions with House Bill 205. The bill requires criminal background and child abuse registry checks for charter school board members, and it prohibits individuals who have felony convictions or convictions for a crime against a child from serving on a charter school board. The bill also requires charter school founders and board members to disclose any financial interest they have in the school.

Under House Bill 205, charter schools in their first year of operation will receive half of their funding for the year at the beginning of the fiscal year, and they will receive the remaining portion in two equal amounts on October 1 and February 1, pending a review of the school's financial reporting forms by the state Department of Education. The bill requires all charter schools to undergo an annual external audit and adds charter schools to provisions that allow the state secretary of education to appoint a financial recovery team to any school in financial distress. The bill moves up the date by which a local school board or the state Department of Education notifies a charter school of whether or not they will renew the school's charter, and it would allow a high-performing charter school to apply to open a new charter school at the location of another charter school that has closed.

Other legislation

HB 3 restricts the amount of artificial trans fatty acids that public schools may serve to students.

HB 42 requires the state Department of Education to issue uniform student discipline regulations for all public schools in the state.

HB 90 requires state Department of Education employees who are terminated or whose contracts are not renewed and who choose to have a hearing on that employment decision to request the hearing within 15 days after being notified of termination or nonrenewal. The bill also eliminates the two-month extension provided to each department employee whose contract is not renewed.

HB 213 requires the state Department of Education to provide for the governance of a statewide longitudinal student data system. The bill also clarifies that the educational improvement duties of the department include conducting audits and evaluations of education programs, administering predictive tests and student aid programs, improving instruction, conducting research and evaluation on education and training programs, and providing for compliance with federal legal requirements.

SB 112 requires the state Department of Education to define eligibility for alternative educational programs provided in homes, hospitals or other settings for students temporarily unable to attend school on a full-time basis.

Florida (<http://www.leg.state.fl.us/>)

The Legislature adopted a budget for 2011-2012 that provides total funding of \$69.7 billion, a decrease of 1.2 percent when compared with the estimated spending in the prior year. (That figure does not take into account the \$615.3 million in appropriations that were vetoed by the governor.) State general revenue declines 3.6 percent to \$23.2 billion. Funds from the lottery totaling nearly \$1.4 billion (up 5.9 percent) support education programs.

To help balance the budget and shore up the retirement system, Senate Bill 2100 made several changes to the Florida Retirement System. The bill required state employees, teachers and faculty to contribute 3 percent of their salaries to the system beginning July 1, 2011; previously, employees contributed nothing. For employees hired on or after July 1, 2011, the retirement benefits calculation uses the eight highest years of an employee's compensation; for previously hired employees, the calculation continues using the five highest years of compensation. New employees vest in eight years, while the current employee period remains at six years. Also, the retirement age for new employees increased from age 62 to 65, and the years of creditable service went from 30 years to 33 years for full retirement benefits.

Funding to schools through the finance formula for 2011-2012 declined when compared with the estimated expenditures for the prior fiscal year. State funds total \$8.7 billion (down 2.5 percent), including \$8.1 billion from the general revenue fund, \$235.7 million from the lottery and \$369.1 million from other state sources. When the reduction in federal funds is considered, overall funding fell 11.1 percent. Total funding per student (including local funds) fell 8 percent to \$6,268.

Overall funding for state colleges totals just over \$1 billion (down 8.2 percent), including \$897.2 million in general funds (down 1.4 percent). For universities, overall funds total nearly \$3.5 billion (down 3.9 percent), while general funds total \$1.7 billion (down 10.2 percent). The budget increased tuition at all state colleges and universities by 8 percent and gave universities the flexibility to increase tuition by another 7 percent, for a maximum of 15 percent; the Board of Governors approved

the additional 7 percent increase in June. While tuition alone at state colleges and community colleges will increase 8 percent, tuition and required fee increases will range by institution from 6.4 percent to 12.8 percent, for an overall average of about 8 percent.

The figures above for education funding do not take into account the governor's budget vetoes, which reduced appropriations for operations at all levels of education by \$7.9 million and eliminated \$167.8 million in funding for capital projects. Much of the governor's capital funding vetoes targeted postsecondary education projects.

Legislation passed in 2010 (but vetoed by the then-governor) addressed the teaching profession. Legislation in 2011 addressing many of the same issues passed early in the session (Senate Bill 736) and became law with the governor's signature. The legislation calls for the commissioner of education to develop a method to determine the growth in student learning, using statewide assessments that measure the effectiveness of school instructional personnel and administrators. Evaluations will use district assessments or learning targets for teachers in subjects not tested by the state assessment program. Student performance over a three-year period will comprise up to 50 percent of instructional staff and administrator performance evaluations. The bill also included provisions relating to unsatisfactory performance: The district may dismiss a teacher or administrator who has two unsatisfactory performance evaluations within a three-year period, three consecutive ratings of "needs improvement" or a combination of the two.

The bill requires local districts to develop salary schedules for new teachers and administrators by July 1, 2014, that provide salary adjustments based on performance. The new schedules will not include the consideration of advanced postsecondary degrees unless the degree is in the field in which the teacher is certified. Those currently employed may choose to remain on the current salary schedule or move to the new schedule. Current employees who select to participate in the new salary schedule (or those who move from one district to another) will give up their continuing contracts for annual contracts that are based on the new annual performance evaluation criteria. First-year teachers, however, will receive two evaluations during their initial year. Only employees rated in the top two (of four) evaluation categories will receive an annual salary adjustment. Employees also may receive salary adjustments for working in hard-to-staff or low-performing schools, for teaching in a critical-shortage subject area, or for taking on additional academic responsibilities.

House Bill 1255 modifies numerous aspects of public education accountability, including provisions regarding the statewide voluntary prekindergarten program, students with disabilities, statewide assessments, school grades and instructional programs. Previously, a school district or an early learning coalition placed a voluntary kindergarten provider on probation if it failed to meet the required readiness rates for two consecutive years; under the legislation, a provider is placed on probation if it fails to meet the readiness rates once. To the list of special education services provided by local school districts, the legislation adds auditory-oral education programs and services by certified listening and spoken-language specialists for children who are deaf or hard of hearing. It includes provisions allowing school districts to develop and implement a digital curriculum for students in grades six through 12.

Senate Bill 1546 establishes high-performing charter schools and charter school systems, providing benefits to schools and systems that meet that definition. High-performing charter schools are schools that, over three years, receive at least two school grades of A and no grade less than a B and that receive unqualified opinions on annual financial audits for the three most recent fiscal years. High-performing charter school systems have at least three high-performing charter schools, have at least 50 percent of their schools designated as high-performing, have no charter schools receiving school grades of D or F, and have not had an audit reveal a financial emergency condition at any of the system's charter schools in the state.

Under the legislation, a high-performing charter school may increase its enrollment by 15 percent once per year and may expand the grade levels it serves. A high-performing charter school also may submit quarterly (rather than monthly) financial statements to its sponsor, may modify or renew its charter for a term of up to 15 years, and may consolidate with other high-performing charter schools in the same school district operated by its governing board. High-performing charter schools also may apply to establish one new charter school per year in any district that replicates that school's program.

House Bill 7197, the Digital Learning Now Act, requires school districts to establish multiple opportunities for K-12 students to participate in full-time and part-time virtual instruction. The bill authorizes full-time virtual charter schools and blended programs that allow charter schools to integrate traditional classroom instruction with virtual opportunities. The bill authorizes the Florida Virtual School to offer full-time instruction to students in kindergarten through grade 12 and part-time instruction to students in grades four through 12. Full-time virtual students are required to take all state-mandated assessments, and part-time virtual students must take required statewide end-of-course assessments — plus, districts must make their testing facilities available to the students. Students entering ninth grade in 2011-2012 will have to complete at least one online course during high school.

Other legislation

CS/CS/HB 965 removes limitations placed on businesses for tax credits that provide financial assistance to low-income students who want to attend private schools.

CS/HB 1329 expands the eligibility of disabled students to qualify for scholarships to private schools under the McKay Scholarship program.

CS/HB 1331 expands the definition of a failing school and increases the eligibility of students to qualify for an Opportunity Scholarship to attend private schools.

CS/HB 7151 requires the Higher Education Coordinating Council to make recommendations for legislative consideration in 2012 regarding the core mission of public and independent colleges and universities, performance outcomes designed to meet state goals, statewide course-credit transfer policies and practices, and plans to align school district and Florida College System work force development education programs.

SB 404 creates the College-Preparatory Boarding Academy Pilot Program, a public school for foster children or at-risk students who are academic underperformers but who have the potential to progress from at-risk to college-bound. The state Board of Education will implement the program, and a private nonprofit corporation will operate it.

SB 1312, the Healthy Schools for Healthy Lives Act, transfers the administration of school nutrition programs from the state Department of Education to the state Department of Agriculture and Consumer Services.

SJR 958 would, if approved by voters, amend the Florida Constitution by replacing the current state revenue limitation based on personal income growth with a new limitation based on changes in population and inflation.

Georgia (<http://www.legis.ga.gov/>)

The General Assembly slightly increased last year's budget to \$18.1 billion (up 1 percent) in total state funds, compared with the 2010-2011 original appropriation. Lottery proceeds were projected to increase 2.8 percent to \$1.2 billion, which included \$355 million in funds to the state's prekindergarten program (no change from the 2010-2011 original appropriation). Lottery funds for student financial aid totaled \$803.7 million, up 4 percent.

Total state general funds remained steady at \$15.4 billion for the remainder of the 2010-2011 fiscal year. The amended budget for K-12 education decreased slightly to \$6.9 billion in state general funds (down 1.1 percent), including \$6.2 billion in school formula funds (up 1.6 percent). The higher education budget decreased 5.3 percent to \$2.1 billion in state general funds. This included a reduced state fund budget for colleges and universities (down 5.8 percent to \$1.8 billion). The amended budget reduced funding for technical colleges to \$311.5 million (down 2.6 percent).

The General Assembly passed an \$18.3 billion overall state-funded budget for the 2011-2012 budget year (up 2.3 percent compared with the 2010-2011 original appropriation). The budget includes state general funds of \$16 billion (up 3.8 percent). This year's budget raises the amount of state funds to public safety and health agencies to offset the loss of federal recovery funds. However, the state Legislature did not appropriate additional state funds to K-12 and higher education budgets to counterbalance the elimination of federal recovery funds to those agencies.

The state's lottery program funding is projected to decline 19 percent to \$913.4 million. Lottery funds directed specifically to student financial aid remain steady at \$772.6 million. The state prekindergarten program operates with \$300.6 million in lottery funds (down 15.3 percent). Programmatic changes to the pre-K program occur this year due to declining lottery funds. Beginning in 2011-2012, the school year shortens to 160 days from 180 days, class sizes increase by two students to 22 (from 20), and operating funds for pre-K providers decrease to 94 percent of last year's level of funding. However, the program increases the number of seats available by 2,000, bringing next year's enrollment total to 86,000 students.

For the 2011-2012 budget year, state general fund appropriations to elementary and secondary education decrease less than 0.5 percent to about \$7 billion. School formula funds remain level at \$6.2 billion. Overall, state funding for K-12 programs remains flat during the 2011-2012 budget year.

House Bill 192 authorizes a comprehensive study of the state's K-12 funding formula and other methods of funding for education. The 20-member Education Finance Commission will provide the Legislature with final recommendations and proposed legislation by 2012. The bill also extends to 2014-2015 (from 2012-2013) a provision that allows flexibility to districts in class-size calculations and pushes back the date by which districts must offer teachers contracts for the next year to May 15 (from April 15).

Recent issues relating to the term lengths of local school board members and accreditation troubles for local school systems spurred the passage of Senate Bill 79. Beginning on January 1, 2012, all local school board members will serve terms of not less than four years, without exception, though starting on January 1, 2015, local law may shorten the four-year term requirement for local boards. In counties with both a homestead option sales/use tax and a county sales/use tax (where the local school board is composed of more than seven members), beginning on January 1, 2013, the county school board must consist of seven members elected from single-member districts of approximately equal population. These county board members will serve staggered, four-year terms of office. Local law may reduce county board membership to fewer than seven members, but the members must come from single-member districts of approximately equal population. Lastly, if a school or district is placed on accreditation probation for governance reasons and has not regained full accreditation by July 1, 2011, the state Board may recommend suspension of all local school board members by the governor, who may then appoint temporary replacement members.

House Bill 186 addresses college and career readiness, as well as coordination between the state Board of Education, the Board of Regents and the Board of Technical and Adult Education, to ensure that high school students completing courses demonstrate the competencies required for advanced training leading to a postsecondary certificate, or two- or four-year college degree. To strengthen the academic preparation of students, the bill calls for stronger coordination between high schools and institutions of higher education to reduce the need for postsecondary remediation. It requires the state Board of Education (in cooperation with the Board of Regents and the Board of Technical and Adult Education) to establish college- and career-readiness standards in reading, writing and mathematics. It also requires the Board of Regents and the Board of Technical and Adult Education to establish the conditions under which students may earn dual credit while still in high school and to ensure that dual credit courses reflect college-level work.

The bill expands the career pathways program, which provides high school students with academically rigorous course choices and opportunities that lead to high-demand, high-skill, high-wage career fields and to advanced credentials or degrees. The legislation adds 16 more pathway options (that are nationally recognized) to the 59 pathways currently offered in career and technical areas. School districts will select pathways that best fit their students' and their regional labor needs. By July 1, 2012, the state Department of Education must develop state models and a curriculum framework for the

specified career pathway programs of study. The bill requires the Office of Workforce Development to develop a certification system that measures “soft” skills — which may include skills relating to punctuality, ability to learn and ability to work in a team — as a component of the state’s current work-readiness assessment system.

The 2011-2012 budget for higher education declines 8.1 percent (to \$2.1 billion in state general funds) compared with the prior year’s original appropriation. State general funds decrease for both colleges and universities (down 9.1 percent to \$1.7 billion) and technical colleges (down 2.1 percent to \$313.3 million).

Due to continued state funding reductions to higher education, the University System of Georgia approved an across-the-board 3 percent tuition increase for in-state undergraduate students, beginning with the 2011-2012 school year. A special per semester institutional fee, implemented two years ago for both undergraduate and graduate students, more than doubled at four-year research institutions (from the previous \$200 rate to \$450) and at the Georgia Institute of Technology (from \$200 to \$550). The special fee rose at other four-year institutions from the previous \$150 rate to \$250, and it doubled to \$200 at most two-year institutions. Combined tuition and institutional fee changes amount to a weighted average increase of 9 percent for all university system students.

House Bill 326 modifies the state’s merit-based HOPE scholarship program due to a projected \$300 million shortfall for the upcoming budget year. The legislation decreases the amount of tuition covered by the program. HOPE scholarships are capped at 90 percent of 2010-2011 tuition costs for the 2011-2012 academic year and no longer covers books, institutional fees and remedial courses.

Previously, a student could receive a HOPE scholarship until he or she either earned a baccalaureate or first-professional degree or attempted a total of 127 semester hours. With the passage of House Bill 326, beginning this school year, a student is limited to receiving a HOPE scholarship for up to seven years after graduating from high school. (Any time spent in active duty military service will not count against the seven-year limit.) Additionally, after losing the HOPE scholarship, a student may regain or requalify for the scholarship only once. Currently, a student may regain HOPE after attempting 30, 60 or 90 semester hours with a 3.0 cumulative GPA.

Also, House Bill 326 creates a new Zell Miller HOPE Scholarship, which pays 100 percent of tuition expenses at eligible public institutions. For students attending private institutions, the Miller scholarship award covers the full private HOPE award (which currently totals \$2,000 per semester). To be eligible as an incoming freshman, a student must meet all HOPE scholarship conditions as well as one of three other qualifications: have at least a 3.7 GPA and score no lower than 1,200 on the SAT, graduate as a valedictorian or salutatorian, or complete a home study program and score no lower than 1,200 on the SAT. To maintain the scholarship, students must keep a 3.3 GPA. If a Miller scholar’s GPA falls below the minimum requirement but remains above a 3.0, the student may qualify for a standard HOPE scholarship.

As a result of 2011-2012 tuition and fee increases and policy changes to the HOPE scholarship program, for the first time the HOPE scholarship does not cover full tuition costs at public institutions. The program pays about 87.4 percent of tuition during the 2011-2012 school year. For students at public institutions utilizing the Fixed for Four guaranteed tuition plan, which provides a set tuition rate over four years (the program was discontinued for new students in 2009), tuition costs did not change and HOPE continues to cover full tuition costs. For students attending private institutions, the HOPE scholarship award decreased to \$1,800 per semester from the previous \$2,000 award.

High school course requirements for HOPE scholarship eligibility changed for students graduating after May 1, 2015. Prior to graduation, these students must earn course credit in at least two of the following courses: advanced or higher math or science courses, Advanced Placement courses, International Baccalaureate courses, advanced foreign language courses or courses taken at an institution of higher education. Students graduating after May 1, 2016, must earn credit in at least three of the courses, and those graduating after May 1, 2017, must earn credit in at least four of the courses.

Other legislation

SB 161 creates the Office of College and Career Transitions, within the state Technical College System, to coordinate efforts in various education agencies to ensure increased high school graduation rates and readiness for success in college and the workplace, as well as to provide oversight and make recommendations relative to career academy petitions and charters in cooperation with one or more postsecondary institutions.

Kentucky (<http://www.lrc.ky.gov/>)

The governor called legislators back for a special session in March to resolve a shortfall in the state Medicaid budget and address other funding matters, as well as to readdress House Bill 225 — which would raise the high school dropout age from 16 to 18 over a five-year period and create alternative education programs for students. The bill to raise the dropout age did not pass during the special session, but House Bill 1 did, moving \$166.6 million in state funds from the 2011-2012 budget to last year's budget to bridge the gap in the state Medicaid budget.

The amended 2010-2011 budget increased 2.1 percent to \$8.5 billion in total general funds, compared with the 2010-2011 original appropriation. General funds for K-12 education remained level in the amended budget (at \$3.7 billion), including \$2.7 billion in level funding for the school formula. Federal recovery funds for K-12 education also remained level at \$182.5 million. Higher education funding increased slightly to \$1.2 billion (up 1.6 percent), while the budget for two-year colleges increased 2 percent (to \$199.2 million). For four-year universities, it increased 1.9 percent (to \$785.3 million).

In comparison to the 2010-2011 original general fund appropriations, the 2011-2012 budget rises 9.4 percent for a total of \$9.1 billion in general funding. The budget for K-12 education increases to \$3.8 billion (up 4.7 percent). To offset the elimination of federal recovery funds to K-12 education, the Legislature appropriated \$2.9 billion in general funds to the school formula budget next year. State school formula funds rise 6.4 percent when compared with the original 2010-2011 general fund appropriation and decrease 0.3 percent when general funds and federal recovery funds are considered.

During the regular session, lawmakers passed Senate Bill 12, which authorizes local superintendents to appoint school principals approved by a majority vote of the school-based decision-making council — composed of five members and the school principal or an administrator. However, when the council is selecting a principal, the local superintendent will occupy the principal's position on the council, chair the council and have a vote.

House Bill 425 directs the state Department of Education to adopt a salary schedule for administrators of the Kentucky School for the Deaf and the Kentucky School for the Blind that is comparable with salaries of local school district administrators who have similar duties. Universities may establish tuition rates for non-state residents who are military veterans enrolling in postsecondary institutions. The tuition rates must not exceed the maximum tuition reimbursement for a state resident student who is a military veteran and qualifies for the Post-9/11 GI Bill.

If a school district missed an average of 20 or more days in the previous three years and used alternative methods of instruction on days when the district was closed, the commissioner of education may waive up to 10 instructional days for each of the 2011 and 2012 school years, as stated in House Bill 427. The legislation also requires that if any instructional days are remaining on or after June 21, the commissioner must grant a local school board's request to waive the remaining days. For the 2010-2011 school calendar, a local board may add no less than 30 minutes to any remaining instructional days to make up time missed due to weather or illness. Lastly, the legislation requires a certified or classified staff member, at least 21 years of age, to accompany students on non-athletic trips sponsored or endorsed by the school.

For 2011-2012, higher education's general fund budget increases to a little over \$1.2 billion (up 1.7 percent). The state Council on Postsecondary Education set maximum tuition and fee increases for in-state undergraduate students attending public institutions during the 2011-2012 school year. Tuition increases no more than 4 percent at community and technical colleges, 5 percent at comprehensive universities (public four-year postsecondary institutions that are not research universities), and 6 percent at research universities. At community and technical colleges, returning students see no increase in tuition.

Senate Bill 130 allows each comprehensive university to offer, with the approval of the Council on Postsecondary Education, up to three advanced practice doctoral programs, including doctoral programs in nursing and education. Also related to advanced practice doctoral programs in nursing, previous law requires the governing boards of the state's public colleges and universities to collaborate

with the Kentucky Board of Nursing in ensuring that each program complies with national accreditation standards. House Bill 278 adds private colleges located in Kentucky, as well as public and private colleges located outside of Kentucky but operating within the state, as entities that also must collaborate with the Kentucky Board of Nursing in offering advanced practice doctoral degrees in nursing.

Other legislation

HB 192 requires secondary schools to provide students in grade 12 with information on how to register to vote, use a ballot and use an absentee ballot.

HB 428 requires the state Department of Education to provide a funding allocation to a school district for a structurally unsound school that is closed.

SB 64 creates the Center for African-American Heritage to educate the public and to preserve and research the cultural heritage of African-Americans in Kentucky.

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

The Legislature agreed to an overall budget of \$26.3 billion for 2011-2012, down 5.5 percent from the amended 2010-2011 budget, alleviating a budget shortfall of just over \$1.6 billion. Total state general funds increase 7.5 percent to about \$7.7 billion. The current year's budget eliminates more than 3,300 state positions — last year's budget eliminated more than 4,500 state positions. For the second year, state employees did not receive merit pay raises, saving the state about \$55 million in total funds (\$16.5 million in state general funds) for the 2011-2012 budget year.

Overall funding for elementary and secondary education decreased 1.7 percent, to \$5.6 billion, from last year's amended budget. The Minimum Foundation Program, which provides formula funding to schools, stands 2.3 percent lower (totaling \$3.4 billion in state general funds). Funding to higher education decreased 1.5 percent in state general funds. However, the merit-based Louisiana Taylor Opportunity Program for Students (TOPS) scholarship program is operating with 14.7 percent more in state general funds (a total of \$154.4 million). The Legislature passed Senate Bill 53, a proposed constitutional amendment that, if passed by voters, will allow citizens to dedicate permanently any monies over \$1.38 billion in the tobacco settlement fund to the TOPS fund. Currently, \$15 million in tobacco settlement funds are dedicated to the TOPS fund. If approved, the tobacco settlement dedication to TOPS will add an additional \$43 million.

Several bills expand the types of retired teachers (among those retiring between May 1, 2009, and June 30, 2010) who may continue earning retirement benefits after returning to service. The earnings may not exceed 25 percent of their retirement benefits. The legislation adds part-time postsecondary faculty (House Bill 150), retired teachers (House Bill 151), adult education and literacy teachers (House Bill 369), and substitute teachers (House Bill 417) to the list of eligible retirees.

The Legislature passed several new charter school bills. House Bill 360 adds residential charter schools (schools that allow students to live on campus) to the types of charter schools that may operate in the state. Senate Bill 43 allows a chartering authority to extend the period within which any charter may begin operating. Senate Bill 142 requires charter school applicants to have the opportunity to revise and resubmit their charter proposals after reviewing the state Board of Education's independent evaluation of the proposal.

House Bill 421 allows charter schools to create an enrollment preference in their charter agreement for the children of permanent employees who work for corporate partners of the school. The charters may enroll up to 50 percent of the school's maximum enrollment (without displacing children enrolled at the time of the charter agreement's authorization). Corporate partners also may hold, at most, a minority of seats on the charter school's governing board. In exchange, corporate partners will donate land or a school building to the charter school, make major renovations to the existing charter school building or make other capital improvements, such as major investments in technology.

During the 2010 legislative session, the Legislature passed the Louisiana Granting Resources and Autonomy for Diplomas (GRAD) Act, House Bill 1171, which grants limited tuition and fee authority, operational autonomy, and flexibility to postsecondary institutions that agree to improve graduation rates and achieve other performance targets set by the state. This year's House Bill 549, known as GRAD Act 2.0, expands upon the original GRAD Act policies by further detailing the levels of autonomy under which institutions may operate, depending on the performance targets the institutions reach. The legislation creates three levels of operational autonomy: base, intermediate and high. Any operational autonomy granted to an institution will terminate immediately if the institution's six-year performance agreement is revoked by the state Board of Regents (BOR).

An institution will have to meet its short-term performance targets to earn base-level autonomy. There are five base operational autonomies, including the authority to retain unspent and unobligated funds at the end of the fiscal year and to identify and dispose of obsolete equipment up to \$5,000. To earn intermediate-level autonomies, institutions must meet short-term performance targets, as well as the BOR's requirements for significantly streamlining academic service delivery to students to meet regional work force needs. In addition to the base-level freedoms, the list of intermediate autonomies include procuring materials, supplies, equipment and services through certain purchasing agreements and directly administering minor facility capital outlay projects without state oversight or control.

An institution that earns high-level autonomy must have met its short-term performance targets, as well as have a graduation rate that is within 5 percent of the average graduation rate for its classification. (This classification is based on size, types of degrees, breadth of program offerings and comprehensiveness as defined by the SREB-State Data Exchange.) Along with any base and intermediate autonomy earned, high-level autonomy includes exemption from participating in the state's risk management program, the authority to administer all facilities projects, and the authority to invest funds in tax-exempt bonds and other taxable governmental bonds.

The legislation also allows the BOR to raise the established performance targets contained in an institution's performance agreement during an annual review. The BOR will inventory all institutional student records systems and recommend a plan to standardize and integrate such systems to include student transcript analysis and degree auditing components. In addition, institutions must submit annually a cost-performance analysis to the BOR.

The original GRAD Act also required the Joint Legislative Committee on the Budget (JLCB) to approve tuition changes. For the 2011-2012 school year, the JLCB approved tuition rate increases of up to 10 percent for undergraduate students attending state postsecondary institutions that meet the requirements of the GRAD Act. In total, tuition and mandatory fees for in-state undergraduates at four-year institutions increased from 6.1 percent to 13.5 percent for the 2011-2012 school year.

Previously, tuition rates at community and technical community colleges varied. House Bill 526 authorizes the Board of Supervisors of the Louisiana Community and Technical College System to standardize tuition and mandatory fee amounts for in-state students, beginning with the 2011-2012 school year. In addition to the maximum increases authorized in previous legislation (10 percent), the Board of Supervisors brought the rates at all community and technical community colleges up to the level of the college that had the highest tuition and fees on July 1, 2011. For resident students enrolled at the Louisiana Technical College, the bill allows tuition and fee amounts to increase up to \$2,000 per year. The institution must split any increases in tuition and fees into equal amounts over the next three academic years. Overall, tuition and fees increased from 9.6 percent to 34.7 percent at community and technical colleges for the 2011-2012 school year.

Other legislation

HB 95 exempts from compulsory attendance requirements students 17 years of age who earned GED credentials.

HB 232 provides tuition exemptions for attendance at a public college or university to the spouses and children of Louisiana National Guard members who die while serving on state active duty. Previously, exemption was limited to federal active duty.

HB 364 requires every high school with an athletic program to abide by the newly created Comprehensive Sports Injury Management Program, which specifies protocols for serious sports injuries and symptoms for coaches or athletic trainers to use when deciding whether to remove a student from practice, training or competition.

HB 384 is a proposed constitutional amendment that, if passed, will provide a dedication of no less than 5 percent beginning in 2013-2014 (and 10 percent beginning in 2015-2016) of future surpluses to pay down the state's \$18 billion retirement debt.

SB 216 requires the superintendent of the Recovery School District to develop a community outreach plan to engage parents and community leaders in the operation and academic improvement of schools and to seek input on any proposed changes in school governance regarding the establishment of any new school site. The district must submit the plan to the state Board of Education and to the Senate and House Committees on Education by September 30, 2011.

SB 266 transfers the University of New Orleans from the Louisiana State University System to the University of Louisiana System.

Maryland (<http://mlis.state.md.us/>)

The Maryland General Assembly approved a \$14.7 billion general fund budget for 2011-2012. While this is an increase of 12.2 percent, much of this increase is due to the appropriation of general funds to offset the loss of federal recovery funds provided in recent years. State general funds to support local K-12 education increased 12.3 percent to nearly \$5.5 billion; the large increase is also the result of the end of federal recovery funding, as the overall funding level declined slightly to \$6.5 billion. While state funding for four-year colleges and universities declined slightly to \$1.1 billion, community college funding increased 5.7 percent to \$314 million. State funding for independent colleges and universities remained level at \$38.4 million. Language in the budget requires the University System of Maryland Board of Regents to report on the advantages and disadvantages of merging the University of Maryland's Baltimore campus with its main College Park campus. Resident undergraduate tuition increased 3 percent at most state colleges and universities, 2 percent at Morgan State University, and 6 percent at Salisbury State University and St. Mary's College.

House Bill 72, the Budget Reconciliation and Financing Act (or BFRA, which accompanies the budget and typically adjusts budgetary formulas), included provisions to reduce state pension costs over the long term. For members of the state employees' and teachers' pension systems, cost-of-living benefit increases based on service earned after June 30, 2011, have a lower cap. Since that date, those employees also are required to make larger retirement contributions (7 percent of "earnable compensation," up from 5 percent).

Teachers and state employees hired on or after July 1, 2011, vest in the pension system after 10 years of service, instead of the previous five-year service requirement. New pension system members from that date forward receive lower retirement benefit payments than members hired before that date. The bill modified requirements to qualify for retirement benefits. While previously hired members qualify for retirement benefits when they are 62 years old and have at least five years of service (or have 30 years of service regardless of age), members hired July 1, 2011, and after must attain 65 years and have 10 years of service to qualify for benefits. (Alternately, they may qualify when the sum of their years of service and their age is 90 or greater.)

In addition to the pension reform measures, BFRA also contains provisions reforming retiree health care. The bill increased retiree prescription drug premiums and requires the discontinuation of prescrip-

tion drug coverage for Medicare-eligible retirees by 2020. In addition, the bill increased the amount of service required to qualify for retiree health care coverage for employees hired on or after July 1, 2011.

State law requires school systems to maintain certain levels of local funding, a provision known as Maintenance of Effort (MOE); school systems that do not satisfy MOE requirements are subject to a penalty, which is applied to state-provided education funds in the same fiscal year. With the passage of House Bill 869, a penalty against state funds provided to a school system is applied in the fiscal year after the school system fails to meet MOE requirements.

One of the largest struggles for many charter schools is obtaining adequate facilities to house the school. To assist charter schools, the General Assembly approved Senate Bill 609, which requires a local board of education to notify charter schools within its jurisdiction when a school facility is no longer needed by the local district for school purposes and is available for charter school use.

Senate Bill 167 addresses tuition rates for the children of undocumented immigrants. The legislation exempts students from paying out-of-state tuition rates at Maryland community colleges if they attended (for at least three years) and graduated from a high school in the state (or received an equivalent diploma). In addition, they must document that they or their parents or guardians paid Maryland state income taxes during that time, and they must enroll in community college within four years of graduating from high school. For these students to qualify for in-state tuition at four-year colleges and universities under the legislation, they must attain their associate's degrees or earn 60 credit hours at a community college and register at a four-year state college or university within four years of completing their community college education. However, opponents of the law successfully petitioned to place the law on the ballot as a referendum in the 2012 general election; implementation of the law has been suspended pending the outcome of the referendum.

Nationwide, there is rising concern over the rapidly expanding for-profit sector of higher education, particularly regarding student recruitment procedures and the heavy use of government financial aid by students enrolled at these institutions. The General Assembly responded with the passage of Senate Bill 695, which makes specific distinctions between public, private nonprofit and private for-profit institutions of higher education. The bill also expands the Maryland Consumer Protection Act to protect students against unfair or deceptive practices regarding offers for the sale of course credit or other educational services.

The legislation creates a fund (financed with fees levied on for-profit institutions) under the control of the Maryland Higher Education Commission to reimburse students at for-profit institutions that have failed to perform any agreement or contracts with those students. The legislation also prohibits institutions of higher education from paying commissions or bonuses to recruiters based on successfully enrolling students or on securing financial aid for those students, and after July 1, 2016, prohibits students at for-profit institutions from receiving state financial aid (except for legislative scholarships and the Jack F. Tolbert Private Career School Grant Program).

Other legislation

HB 38 and SB 489 require each nonpublic school that participates in state-funded education programs to adopt a policy prohibiting bullying, harassment and intimidation by March 31, 2012.

HB 79 and SB 772 establish a task force to study the creation of a Maryland Center for School Safety, which would serve as a statewide school safety information clearinghouse and provide schools with research, training and technical assistance to reduce youth violence and promote safety.

HB 364 requires the state Board of Education to consult with local boards of education and report to the Legislature on the minimum academic performance standards that high school students should meet in order to participate in athletics.

HB 858 and SB 771 require the Maryland State Department of Education to implement a concussion awareness program for coaches, personnel and athletes at public schools.

HB 1208 changes, from 21 years old to 25 years old, the age before which former foster care recipients must enroll in a state college or university to qualify for a waiver of tuition and mandatory fees.

SB 679 allows law enforcement agencies, in agreement with local boards of education, to place cameras on school buses to monitor and issue citations to motorists who fail to stop for buses that have stopped and display flashing red lights.

Mississippi (<http://billstatus.ls.state.ms.us>)

The Mississippi Legislature approved state fund budget appropriations for 2011-2012 at levels very close to the prior year's budget levels. For the 2011-2012 budget year, total state funds remain close to last year's level at \$5.5 billion (down 0.1 percent). The elimination of federal recovery funds had a minor impact on K-12 and higher education funding for this year. The budget for K-12 education decreases 0.6 percent to \$2.3 billion in state funds. School formula funds total \$2 billion, a slight decrease of 0.3 percent.

Overall state funding to higher education institutions increases slightly to \$934.8 million during the 2011-2012 budget year. State fund appropriations to four-year institutions decrease to \$701.5 million (down 1 percent), while state funds to two-year colleges rise 4.4 percent to \$233.3 million. On average, tuition rose 6.9 percent for resident undergraduates attending four-year postsecondary institutions. For in-state students attending two-year colleges, tuition rates increased an averaged of 2.8 percent.

Senate Bill 2439 modifies the retirement benefit formula for state employees and teachers hired after June 30, 2011. These employees and teachers will have reduced retirement benefits for each year of creditable service less than 30 years or for each year of age below 65 years. The bill removes the minimum monthly benefit for this group. (The minimum monthly benefit is \$10 for state employees and teachers hired before July 1, 2011.) The bill also reduces cost-of-living adjustments for this group.

In continuing with the tide of education policy reform in the nation, the Legislature passed and the governor approved Senate Bill 2371, creating a state longitudinal data system that will provide education data on state residents from birth to the work force. By 2013, the system will include data from multiple state agencies and provide decision-makers with tools to develop numerous policies, including monitoring information to improve high school and college graduation rates and identifying teachers, teaching methods and programs that produce positive student outcomes.

To make dual enrollment “easier and more common,” Senate Bill 2869 clarifies dual enrollment and dual enrollment credit requirements and policies. The bill requires that a high school student taking a college-level course meet the same prerequisites as a college student taking the course. In addition, dual credit instructors must meet qualification requirements set forth by the regional accreditation association.

House Bill 1177 creates the Joint Legislative and Paraprofessional Education and Mental Health Study Committee to examine, make recommendations and assist in shaping public policy to improve student outcomes and educational opportunities for students with serious emotional and behavioral disorders in regular and special K-12 education. The legislation also expands the composition of the Task Force to Study Strategies for Solving the Current Teacher Shortage in Mississippi by adding the commissioner of higher education and the executive director of the state Board for Community and Junior Colleges. It also extends the final reporting date to 2013 (from 2011).

House Bill 1163 requires the preparation of two comprehensive reports for the state Legislature by January 2, 2012. The legislation requires the state superintendent of public education, the commissioner of higher education, and the executive director of the state Board for Community and Junior Colleges to collaborate in developing a report and presenting recommendations on the implementation, costs and operations of “early college high schools” (which let students complete a diploma and the first two years of college more quickly). The bill also requires the state superintendent (in conjunction with the state Board of Trustees of State Institutions of Higher Learning and the state Board for Community and Junior Colleges) to study and develop a report on the implementation, expansion and costs of establishing an adult high school diploma.

Other legislation

HB 637 eliminates the 2011 repeal date for provisions that: prohibit schools and local boards of education from separating multiple-birth siblings into different classrooms solely due to these children being multiple-birth siblings; and provide free textbooks to elementary and high school students.

HB 1125 creates the 29-member Mississippi Autism Advisory Committee to develop a strategic plan on how best to educate and train students with autism or Autism Spectrum Disorders to maximize their potential productivity within the work force.

HB 1156 authorizes the state Board of Education to consider, on a case-by-case basis, local school board requests to alter the minimum 180-day school calendar in any instance in which a state of emergency was not declared but a school or school district was closed.

HB 1178 creates an individual assessment and evaluation timeline for children who are placed in alternative schools after returning from out-of-home placements in mental health, juvenile justice or foster care systems.

SB 2655 creates the 10-member Commission on School Payroll, Business and Procurement Efficiency to develop an implementation plan for the consolidation and online functioning of payroll, business and procurement services for all school districts by 2012.

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

Under the biennial budget adopted by the General Assembly, general funds in 2011-2012 total \$19.7 billion (up 3.9 percent from the revised 2010-2011 total) and \$19.9 billion in 2012-2013 (up another 1.3 percent). (Note: In North Carolina, budget comparisons often are made to a base budget for the year under consideration that includes, for example, full-year funding for issues only partially implemented in the prior year, technical corrections and adjustments to one-time funds. SREB comparisons are to the actual prior-year budget.) In 2009, responding to diminished state revenues, the General Assembly approved, for only two years, an additional 1 percent sales tax as well as additional corporate and individual income taxes. The General Assembly did not renew those taxes, and estimates put the reduction in revenue at more than \$450 million for the biennium. The budget also suspends the portion of corporate taxes earmarked for public school construction, estimated to be \$72.1 million in 2011-2012 and \$74.7 million in 2012-2013.

General funds for K-12 education total nearly \$7.5 billion in 2011-2012 (up 5.4 percent when compared with the revised 2010-2011 budget) and decline slightly (down 0.2 percent) in 2012-2013. The budget eliminates about 100 employment positions at the state Department of Public Instruction; however, it includes funds for additional teaching positions to support class-size reductions in grades one through three (\$61.7 million in 2011-2012 and \$62.8 million in 2012-2013).

The budget eliminates state general funding for: four end-of-course exams not required by federal law, the Dropout Prevention Grant program, a student diagnostics pilot program, Learn & Earn Online courses provided through the University of North Carolina system, beginning teacher mentoring, the School Technology Fund and teacher professional development. The budget phases out funding for the Teaching Fellows Program.

General funds for the statewide prekindergarten program were reduced approximately 20 percent to \$65 million in each year of the biennium. Language in the budget moves the prekindergarten program from the Department of Public Instruction to the Division of Child Development and Early Education in the state Department of Health and Human Services. The budget also establishes copayments for the prekindergarten program; at-risk children and certain children of military personnel are exempt from the copayment requirement. However, in July 2011, a Superior Court judge found that some of the changes in the law violate the state's constitutional guarantee of the "opportunity to obtain a sound basic education." It is unclear exactly what effect this ruling will have.

The General Assembly incorporated into the budget bill several other provisions concerning education. For the 2011-2012 school year and beyond, the number of required school instructional days increases to 185 (from 180). Provisions required local school boards to establish policies by July 15 for teacher reductions-in-force that take work performance into consideration. Language also requires the state Board of Education and the Community College System to establish the Career and College Promise program to provide dual enrollment for high school students in community college courses that lead to a certificate, diploma or degree, as well as entry-level job skills.

The budget bill requires the North Carolina Virtual Public School program to report to the state Board of Education and establishes a new funding formula for the program. The Joint Educational Oversight Committee will deliver an education reform plan to the General Assembly that implements a grade-three literacy policy, holds high schools accountable for their students' performance in post-secondary education and determines the most cost-effective way to provide remedial postsecondary education.

Universities receive \$2.5 billion in general funds in 2011-2012 (down 4.7 percent), with a slight increase (0.4 percent) in 2012-2013. General funds for community colleges total \$985 million in each year of the biennium, a 6.5 percent reduction in 2011-2012 from the adjusted prior-year budget; this includes the elimination of 19 positions in the community college system office. The funding also incorporates a 17.7 percent tuition increase for resident students at community colleges in 2011-2012, plus another 3.8 percent increase in 2012-2013. Tuition and fee increases for in-state undergraduates at University of North Carolina System institutions in 2011-2012 ranged from 5.2 percent to 18.3 percent.

Both community colleges and universities are subject to "management flexibility reductions," general fund reductions allocated to institutions by their respective statewide governing boards. Over the biennium, the reductions to universities total \$414 million and \$423.2 million in 2011-2012 and 2012-2013, respectively. The reductions to community colleges are \$50.8 million and \$58.6 million.

Prior to the legislative session, state law limited the number of charter schools in North Carolina to 100. That limit was removed with the passage of Senate Bill 8, which also permits charter schools to increase their enrollment by up to 20 percent (previously, 10 percent) without state Board of Education approval. The bill requires the state Board to establish criteria that define "adequate performance" by charter schools and procedures for dealing with charter schools that perform inadequately.

Lawmakers also addressed the evaluation and dismissal of teachers by approving Senate Bill 466. The bill defines inadequate performance by a teacher, establishes mandatory improvement plans for inadequately performing teachers and for teachers in low-performing schools, and establishes procedures for the dismissal of teachers whose performance does not satisfy their mandatory improvement plans.

A teacher in a low-performing school must participate in a mandatory improvement plan, or receive a dismissal or demotion recommendation, if the teacher obtains a below-proficient or unsatisfactory performance rating on his or her evaluation. If the teacher fails to achieve proficiency on any performance standard required for improvement in the plan, the superintendent must recommend the

teacher's dismissal or demotion.

A teacher in a school that is not designated as low-performing may receive a recommendation to participate in a mandatory improvement plan, if the teacher obtains a rating of below proficient or unsatisfactory on an evaluation and if the superintendent determines that an individual, monitored or directed growth plan will not satisfactorily address the deficiencies. If the teacher fails to attain proficiency or to demonstrate sufficient improvement in the areas identified by the plan, then the superintendent may recommend dismissal or demotion. A superintendent may dismiss a teacher in a school not designated as low-performing without requiring the teacher to participate in a mandatory improvement plan.

A local board may rehire a teacher who was dismissed for any reason other than work force reductions. The superintendent must develop a mandatory improvement plan for a rehired teacher. If the teacher receives a below-proficient rating after completing the plan, the state Board of Education will begin the process of revoking the teacher's license. If the teacher receives a developing rating, the teacher must raise his or her rating to proficient within one year or the state Board of Education must initiate the license revocation process.

House Bill 736 is a complete reworking of state laws on the suspension and expulsion of school students. The bill codifies two court decisions, which held that students who are suspended for long terms have the right to placement in an alternative education setting while they are suspended. The bill also codifies federal provisions requiring a 365-day suspension for student firearm possession and case law entitling students to a hearing prior to a school suspension. Other provisions include retaining local school board authority to establish student conduct and discipline policies while placing specific restrictions on such policies (including a prohibition against mandatory penalties except as authorized by state or federal law), requiring school boards to allow parents to opt their children out of any corporal punishment, establishing guidelines for students suspended for 365 days to request readmission to school, and clarifying guidelines for long-term suspensions.

The high cost of providing services for children with disabilities can put a considerable economic strain on families. In response to this, the General Assembly approved House Bill 344, which provides up to \$6,000 per year in nonrefundable tax credits to a parent of a disabled child. In order to qualify, the child must enroll in a nonpublic school, must have an Individualized Education Program under the federal Individuals with Disabilities Education Act, and must receive special education services on a daily basis. In addition, for initial eligibility the child must spend at least two semesters either in a public school or receiving special education services through the public schools as a preschool child. (The requirements decrease to one semester beginning in 2016.)

Other legislation

HB 48 eliminates the state Board of Education's authority to require any standardized tests that are not mandated by federal law or as a condition of a federal grant.

HB 342 permits the state Board of Education to act as an accrediting entity for high schools in the state.

HB 720, the School and Teacher Paperwork Reduction Act, requires the state Board of Education to permit schools and districts to submit any reports to the Department of Public Instruction electronically, and it establishes provisions to consolidate and eliminate school reports where possible.

HB 769 requires local school boards to encourage high schools and local businesses to team up (specifically targeting students who may not seek higher education) and facilitate high-school-to-work partnerships.

HB 822 establishes a high school dropout-recovery pilot program at four locations.

SB 125 allows two or more local boards of education jointly to form a regional school to expand student opportunities; the boards may include other education partners, such as institutions of higher education and private businesses or organizations, to promote the development of knowledge and skills in career clusters of critical importance.

SB 137 creates the Forgivable Education Loans for Service Program and Fund to target initially forgivable loans to future teachers, nurses and allied health professionals. The bill also merges a number of existing loan-forgiveness programs into the new program.

Oklahoma (<http://www.oklegislature.gov/>)

The Oklahoma Legislature adjourned a week early after agreeing to a budget for 2011-2012 that is designed to close a \$500 million shortfall. The budget reduces state funding by 3.1 percent, to \$6.5 billion, when compared with the appropriation for 2010-2011. Oklahoma received \$2.6 billion in funding through the federal American Recovery and Reinvestment Act that is no longer available.

Total state funding for education budgets declined 4.7 percent to \$3.4 billion. Elementary and secondary education received nearly \$2.3 billion, a reduction of 4.1 percent. The \$133.7 million for career and technical education is a reduction of 5.8 percent. Other areas under the education budget also are operating with reduced state funding: libraries, the Center for Science and Technology, and the Teacher Preparation Commission received reductions of 7 percent.

Higher education received \$945.3 million, down 5.8 percent. Tuition increases for in-state undergraduate students in the 2011-2012 school year averaged close to 5 percent at the state's two research universities, 5.7 percent at the state's 11 regional universities and 6.6 percent at the state's community colleges.

The Legislature passed a number of bills that impact education. With a new state superintendent of public instruction in place, the Legislature passed House Bill 2139, which broadens the superinten-

dent's powers and limits some of the responsibilities of the state Board of Education. While the board will continue to supervise the public school system, the bill removes language making it responsible for the State Department of Education, placing that authority specifically with the superintendent. Senate Bill 435 addresses appointments to the state Board of Education, calling for the governor (upon assuming office) to appoint one member from each congressional district and one at-large member, each for a four-year term. (Previously, members served six-year, staggered terms.) In addition, the state superintendent of public instruction serves as the chair and seventh member of the Board. The law terminated the terms of all existing members of the Board and required the governor to make initial appointments under the law within 30 days of its effective date.

Several bills related to accountability passed. House Bill 1456 requires the state Board of Education to rate student performance on the Oklahoma School Testing program and design reports on the ratings for parents. Schools, districts and the state will receive ratings using letter grades. Ratings reports to parents also will include performance information about major student populations, including the median scores of students who perform in the lowest quartile of the state. A combination of factors will determine a school's grade: student test scores (33 percent); learning gains in reading and math (17 percent); improvement of the lowest quartile of students in reading and math (17 percent); and whole school improvement, including (where applicable) measures such as high school graduation rates, the performance and participation of students in advanced courses, postsecondary readiness, and dropout rates (33 percent). Senate Bill 2 addresses the calculation and reporting of high school graduation rates. In addition, the state Board of Education will adopt growth targets for schools to increase graduation rates. Schools that fail to meet the growth targets will submit a graduation improvement plan to their local boards.

Relative to student performance, Senate Bill 346 addresses reading in the early grades. The bill requires each school district to establish, beginning with the 2011-2012 school year, a Reading Enhancement and Acceleration Development (READ) Initiative. The focus of the READ Initiative is to prevent the retention of third-graders by providing accelerated reading instruction to those who have failed to meet the standards required to progress to fourth grade. It also involves early assessment to determine reading deficiencies. In addition, the bill eliminates "social promotion," specifying that third-grade students who score at the unsatisfactory level on the reading portion of the third-grade state test may not progress to the fourth grade. House Bill 1269 requires reading teachers in kindergarten through third grade to teach the five elements of reading: phonemic awareness, phonics, reading fluency, vocabulary and comprehension. Another bill, House Bill 1680, requires districts to report all levels of performance on end-of-course tests on student transcripts. Previously, districts only included test results that were proficient or above.

Two bills addressed the Oklahoma Higher Learning Access Program, which provides need-based financial assistance to postsecondary students. House Bill 1421 adds to the program's requirements that students must maintain the same satisfactory academic progress required for federal financial aid programs. Senate Bill 610 addresses the calculation of family income relative to eligibility for the scholarship. Previously, a student's annual family income from taxable and nontaxable sources at the time the student qualified for an award could not exceed \$100,000. The \$100,000 limit now applies to the fam-

ily's federal adjusted gross income. The bill also delays for one year (to 2012-2013) cumulative grade-point average requirements in postsecondary courses for students to maintain eligibility for the award.

Other legislation

HB 1380 ends the practice of "trial de novo," which is a teacher's right to appeal to a district court after a school board's final ruling to terminate the teacher, thereby allowing a local school district to terminate a teacher without an appeals process.

SB 260 delays to 2013-2014 the requirement that school districts offer full-day kindergarten.

SB 377 raises the retirement age for new teachers (those who begin after October 31, 2011) from age 62 to age 65. It also establishes 60 as the minimum retirement age for new teachers, whose age and years of creditable service add up to 90 years (known as the Rule of 90), to receive full retirement benefits. Previously, there was not a minimum retirement age for teachers who met the Rule of 90 requirements.

SB 536 creates the Task Force on Creating Administrative Efficiencies to examine ways to reduce administrative costs and the impact of those reductions on school district operations and student learning.

SB 664 limits to 5 percent (down from 6 percent) expenditures for school district administration (exclusive of legal expenses) in districts of more than 1,500 students. In districts of 500 to 1,500 students, administrative expenditures may not exceed 7 percent (previously, 8 percent). Small districts are limited to a maximum of 8 percent for administrative expenditures, down from 9 percent.

South Carolina (<http://www.scstatehouse.gov/>)

After completing the regular legislative session in early June without approving a finalized budget for 2011-2012, legislators reconvened later in the month to consider a limited number of topics, including governor's vetoes, appropriations and redistricting. After multiple years of budget reductions, state general fund appropriations for 2011-2012 are up 6.6 percent to nearly \$5.5 billion. This includes \$173.8 million carried forward from 2010-2011, of which school formula funding receives \$56.2 million and school transportation receives \$3 million.

The Legislature appropriated nearly \$2 billion in state funds for K-12 education (up 6.6 percent), including about \$1.8 billion in aid to school districts (up 6 percent), and \$25.3 million for the statewide South Carolina Public Charter School District (up from less than \$500,000). From the state funding to school districts, \$45.5 million satisfies maintenance of effort requirements under the federal Individuals with Disabilities Education Act. Language in the budget eliminates funding to reimburse families for PSAT and PLAN (a pre-ACT test) assessment registration fees and permits school districts to realize savings by suspending non-required textbook purchases, implementing employee furloughs, transferring funds between categories and suspending drivers' education instruction.

Education Improvement Act (EIA) funds to schools, generated from an earmarked 1 percent sales tax, increased 14.6 percent to \$598.1 million. This includes 2011-2012 appropriations for areas that did not receive EIA funds in 2010-2011: school nurses (\$6 million), aid to school districts (\$37.7 million in recurring funds and \$30.5 million in nonrecurring funds) and school transportation (\$20.8 million). EIA funding for instructional materials increased 27.9 percent to \$13.8 million. Funds for assistance to low-performing schools through the Education Accountability Act declined nearly 90 percent to \$6 million.

EIA funding of salary supplements to teachers who have earned National Board Certification increased 58.7 percent to \$68.6 million; however, part of this increase is offset by the elimination of \$19.2 million that was previously funded through state general funds to school districts. Overall funding for National Board Certification supplements increased 9.8 percent.

State funds for higher education total \$544.6 million, down 5 percent; this includes \$106.3 million for technical colleges (up 1 percent) and \$299.1 million for universities (down 5.8 percent). Overall funding for the merit-based LIFE Scholarship program increased 4.6 percent to \$171.9 million, while funding for the merit-based Palmetto Fellows Scholarship and HOPE scholarship programs remained level at \$37.4 million and \$8.3 million, respectively. Tuition for resident undergraduate students at most state colleges and universities in 2011-2012 increased from 3.5 percent to 4 percent, while the College of Charleston did not raise tuition.

The Legislature approved several pieces of legislation designed to help school districts manage their tight financial situation. House Bill 3642 allows local school districts, for fiscal year 2011-2012, to continue to pay all teachers the same salary they earned in 2010-2011 with no longevity increases. Teachers will still receive the same service credit, however, and teachers and administrators will still receive salary increases due to increases in their education level. Senate Bill 629 allowed school districts (for the second consecutive year) to delay by one month (to May 15) the date by which they had to notify teachers of whether their contract was renewed for the 2011-2012 school year.

House Bill 3663 provides a one-year grace period on the repayment of South Carolina Teacher Loans for individuals who completed an undergraduate or graduate education degree in 2010 or 2011 but who were not employed as public school teachers in South Carolina by September 1, 2011. The bill also enacts two cost-saving measures for the 2011-2012 school year: not requiring school districts to print copies of district and school report cards; and suspending the administration of writing assessments in grades three, four, six and seven. The bill directs any savings realized from these measures to school districts. Language in the state budget also suspends the administration of the writing assessments — as well as assessments for foreign languages, financial literacy and physical education — and directs any savings to school districts.

The South Carolina Higher Education Efficiency and Administrative Policies Act of 2011, Senate Bill 172, passed during the session. Its transparency provisions require state colleges and universities to post expenditure registries online, to make information concerning institutional credit card expenditures available online, and to require an institution's board to vote on and publicly record any institu-

tional change to tuition and fees. The bill permits the State Board for Technical and Comprehensive Education to implement a system that categorizes technical colleges based on their financial strength and management abilities. Based on those categorizations, the board may implement administrative efficiency measures allowing flexibility in procurement, purchasing, leasing and contracting, and it may permit those institutions to offer tuition waivers to up to 4 percent of enrolled students.

Senate Bill 172 also contains a variety of provisions relating to administrative efficiencies and policies, including: requiring all state colleges, universities and technical colleges to work with the Budget and Control Board's State Office of Human Resources to develop a comprehensive human resources system plan for those institutions and to submit that plan to the Budget and Control Board by July 1, 2012; higher dollar-amount thresholds above which institutions must seek approval for certain leases, capital lease purchases, equipment purchases or new facilities construction; increased dollar-amount thresholds for small purchases above which institutions must obtain price quotations; and allowing institutions to enter multistate contracts if they can demonstrate a cost savings. In addition, the bill codifies two budget provisions from recent years. One provision requires the South Carolina Commission on Higher Education to allocate Higher Education Excellence Enhancement Program funds equally among qualified institutions (rather than half by equal distribution and half by merit); the other requires the distribution of state need-based grant funds to institutions based on their enrollment of Pell Grant recipients (rather than by overall enrollment).

Other legislation

HB 3748 extends by one year (to July 1, 2012) the expiration date of the Education and Economic Development Coordinating Council. The extension will allow the council to fully implement the Personal Pathways to Success initiative, which provides educational and career planning resources to serve students, parents, educators, adult job-seekers and employers, and which supports South Carolina's work force and economic development priorities.

SB 345 permitted school districts to waive up to five school days missed due to inclement weather in 2010-2011 from any make-up requirements.

Tennessee (<http://capitol.tn.gov/>)

Tennessee finished its session in late May, approving a total state budget for 2011-2012 of \$30.8 billion (3.7 percent less than the amended 2010-2011 budget), including state funding of \$13.5 billion (down 4.4 percent). The budget includes funding for state employees to receive a 1.6 percent salary increase — their first raise in four years.

For the current budget year, total funds for prekindergarten, elementary and secondary education fell 8.8 percent (to \$5.2 billion). State funds increased 11.9 percent (to \$4.1 billion), including \$3.8 billion in funding to schools through the state's Basic Education Program (an increase of 3.9 percent). Total higher education funding decreased to \$3.7 billion (down 7.8 percent); however, state funds fell 13.3 percent to \$1.4 billion.

Elementary and secondary schools will continue to pursue education reform based on the state's comprehensive Race to the Top (RTTT) plan. Several key pieces of legislation passed during the session, including policies on charter schools, virtual public schools, teacher collective bargaining and teacher tenure.

The General Assembly enacted an extensive rewrite of many of Tennessee's existing charter school statutes. In 2009, the General Assembly passed charter school provisions that increased the total number of charter schools permitted from 50 to 90 and prioritized certain types of students for admittance into charter schools. This year, House Bill 1989 and Senate Bill 1523 (Public Chapter 466) remove the cap on charter school approvals and eliminate the prioritization of student admittance. A public charter school may enroll any student residing in its district. However, a local district may permit charter schools to admit students residing outside of the district.

When reviewing charter school applications, local districts must give preference to (and the achievement school district exclusively must accept) applications that focus on meeting the needs of students assigned to or previously enrolled in a school that failed to meet adequate yearly progress, students eligible for free or reduced-price lunch, or students who did not test as proficient in the previous school year in reading/language arts or mathematics, either on state assessments in grades three through eight or on end-of-course assessments in grades nine through 12.

The new law also adds the achievement school district — a unit of the state Department of Education that provides operational oversight to underperforming schools — as a charter school authorizer. Previously, local districts were the only authorizers. Prior to approving or denying a new charter school application, a local district may consider whether the establishment of a charter school will have a substantial negative fiscal impact on the local district. Within five days of denying an application for this reason, the district must provide supporting documents (such as the impact of the school on student enrollment and specific facts or financial information demonstrating the financial burden to the district) to the state treasurer, who must determine the reasonableness of the denial within 30 days. If the treasurer supports the district's reasoning, the charter applicant may not appeal to the state Board of Education. If the treasurer does not support the denial, the charter applicant may appeal to the state Board of Education within five days.

If a charter school fails to meet adequate yearly progress for two consecutive years and if the chartering authority is the local district, then the district may deny or revoke the charter school's contract. Charter schools will not have the right to appeal this type of revocation or denial. The new law also removes the restriction that only permitted local school districts to convert a traditional public school to a charter school if the school did not make adequate yearly progress.

The General Assembly created new provisions for charter school facilities. House Bill 1980 and Senate Bill 1709 (Public Chapter 465) require local school districts to make underutilized and vacant properties available to charter schools. Local districts must establish a transparent and uniform method for calculating all terms and costs related to any lease, lease-purchase agreement, or other agreement between the district and a charter school for a school facility. Charter schools may use capital outlay

funds: to purchase, lease-purchase or lease property and school facilities; to construct or renovate school facilities; and to pay debt on any of these transactions. By no later than October 1 of each year, a local district with at least one charter school must have a catalog of all of its underutilized and vacant properties available.

House Bill 1956 and Senate Bill 1426 (Public Chapter 507) prohibit a local board of education from serving as the governing body of a charter school. Sixty days prior to filing an application for the establishment of a charter school, a prospective charter school sponsor must submit a letter of intent to the state Department of Education. The sponsor may delay the initial opening of the charter school for up to one school year. By February 1 of each year, the chartering authority must rule on whether to approve or deny a renewal application. Previously, approval or denial occurs at any regular or special meetings of the chartering authority. A charter school may appeal the ruling to the state Board of Education.

The new law also removes language that required charter schools to spend local funds solely for school facilities. Local districts must include in their budgets the per pupil amount of local funds that will pass through to charter schools during the upcoming school year and distribute the funds in no fewer than nine equal installments. Charter schools may elect to provide student transportation other than through the local district and will receive all appropriate transportation funding from the local district. A charter school is not required to provide financial reports to the chartering authority more frequently than once a year unless the chartering authority has substantial reason to believe the school is out of compliance.

As an alternative for offering additional educational services, local school districts may establish virtual public schools by contracting with nonprofit or for-profit entities to manage and operate the school. House Bill 1030 and Senate Bill 874 (Public Chapter 492), the Virtual Public Schools Act, require that virtual schools provide students with access to: a sequential curriculum that has an interactive program with significant online components; the same length of time for learning each academic year; and regular assessments in language arts, math, science and social studies. Local school districts will conduct annual virtual school evaluations based on increases in student achievement, as well as the accountability and viability of a school's academic, fiscal and operational performance.

Virtual schools will provide instructional materials, ensure the necessary technology is accessible (computer and printer) and ensure that an Internet connection is available to each family with an enrolled student, but families will not receive financial assistance to purchase instructional programs or materials, or reimbursement for any Internet connection costs.

House Bill 130 and Senate Bill 113 (Public Chapter 378), the Professional Educators Collaborative Conferencing Act of 2011, replace negotiations of teachers and local boards of education through collective bargaining with collaborative conferencing between local boards of education and representatives of the teachers' choice. (Collaborative conferencing is defined as the process by which representatives of the local board and teachers meet to confer, consult and discuss and to exchange information, opinions and proposals on matters relating to the terms and conditions of teacher service, using the principles

and techniques of interest-based, collaborative problem-solving.)

Beginning January 1 each year, the two parties may collaboratively conference on the same matters previously negotiated (which include salaries, insurance, working conditions, leave and fringe benefits), except student discipline procedures. The law prohibits certain subjects (which include differentiated pay plans and other incentive compensation programs, evaluations, staffing decisions and employee assignments) from conference discussions, although previous law did not have any prohibitions. District superintendents expressly are permitted to communicate with teachers about any subject relevant to the operation of the school system, including matters under collaborative conferencing.

If the majority of teachers votes to collaboratively conference, then seven to 11 teacher representatives are selected by December 1 from either or both of these categories: teacher organizations or representatives unaffiliated with an organization. However, only those professional organizations receiving 15 percent or more of votes from teachers are entitled to represent teachers. Similarly, 15 percent or more of all teachers may vote to have unaffiliated representatives at the conference. In both cases, the number of representatives from each category are selected based on each organization's and unaffiliated representative's proportional share of votes from all teachers.

The local board will have an equal number of representatives from management (such as principals, assistant principals and supervisors). Both groups of representatives will serve on the collaborative conferencing panel for three-year terms. The terms may occur more frequently if desired and agreed to in the memorandum of understanding between the teachers and local board.

If the parties reach an agreement, they will jointly prepare a proposed memorandum of understanding, which the local board may agree to for up to a three-year period. Once approved by the local board, the memorandum is binding. Absent an agreement and memorandum of understanding specified for collaborative conference, the board is authorized to address those specific terms and conditions of employment through board policy.

The law eliminates mediation and arbitration, and it prohibits strikes, as did the collective bargaining act this law replaces. Any collective bargaining agreements in effect prior to the effective date of the law will remain in full force until their expiration. The law requires filing any complaints of unlawful acts with the local board within three months of the occurrence. If a reasonable resolution is not reached, then the parties may file the complaint with the courts.

House Bill 2012 and Senate Bill 1528 (Public Chapter 70) connect teacher performance and tenure. Beginning in July 2011, the law increases the probationary period for teachers from three years to five years. To attain and maintain tenure, a teacher hired after July 1, 2011, must complete a five-year probationary period (including the last two years in a regular teaching position) and must achieve a performance effectiveness rating of "above expectations" or "significantly above expectations" during the last two years of the probationary period. If certain criteria are not met and tenure is not granted, the teacher's contract will terminate.

The law also changes the annual date that a local district must notify a teacher of reemployment from May 15 to June 15. After a work force reduction (such as layoffs or position closures), a district superintendent must consider a dismissed tenured teacher's most recent evaluations as a factor in determining whether to rehire the teacher to fill a position vacancy.

A teacher who attains tenure and later resigns must serve a two-year probationary period upon reemployment by the school system, unless the probationary period is waived by the state Board of Education. Once the teacher completes the probationary period, the teacher is eligible for tenure and must receive a recommendation from the district superintendent either for tenure or nonrenewal.

The law also requires a teacher to return to probationary status if, after attaining tenure, the teacher receives an evaluation rating of "below expectations" or "significantly below expectations" for two consecutive years. The teacher will remain in probationary status until receiving two consecutive years of "above expectations" or "significantly above expectations" evaluation ratings. After these two consecutive years of high performance, the teacher is again eligible for tenure. If tenure is not granted after the probationary period, the teacher's contract will terminate.

House Bill 837 and Senate Bill 1869 (Public Chapter 488), known as the Move on When Ready Act, allow students in grades 11 and 12 to take college courses for high school credit that lead to early graduation. These early graduates are eligible for unconditional admission to two-year institutions and acceptance into four-year institutions if the students meet six requirements. The requirements include, but are not limited to: completing the minimum approved specified-course credits; achieving the minimum benchmark score on end-of-course examinations; having a grade-point average of at least 3.2; scoring above certain Tennessee Higher Education Commission minimum scores on the ACT or SAT tests in mathematics and English; and completing at least two courses that are any combination of Advanced Placement, two International Baccalaureate, dual credit or dual enrollment courses.

In 2009, the Tennessee Board of Regents, which governs those institutions that are not in the University of Tennessee (UT) system, elected to eliminate the 12 credit-hour tuition cap. Students are paying gradually for a greater proportion of the cost of any semester hours above 12. For the 2011-2012 school year, Board of Regents' universities discounted those hours by 80 percent. (Last year, the discount rate was 85 percent and, in 2009, the discount was 95 percent.) In June, the Board of Regents voted to increase tuition for in-state undergraduate students for the third consecutive year. For a student taking 15 credit-hours at a university, tuition rose from 7.4 percent to 11 percent, depending upon the institution. Community college tuition increased from 9.7 percent to 10.5 percent, and tuition rates at technology centers rose 8.8 percent. The UT system also increased tuition rates for in-state undergraduate students during the 2011-2012 school year. Increases by campus ranged from 8.5 percent to 13.7 percent.

Two bills amend the Tennessee HOPE scholarship program. House Bill 2010 and Senate Bill 1529 (Public Chapter 437) allow students to apply the HOPE scholarship to summer courses and cap the scholarship and ACCESS grant to no more than 120 creditable hours (or up to 136 hours if the degree program requires more hours) over a five-year period.

House Bill 474 and Senate Bill 2008 (Public Chapter 427) permit a disabled student who can only attend an eligible postsecondary institution on a part-time basis to apply to the Tennessee Student Assistance Corporation for an extension of the HOPE scholarship beyond the maximum five-year period. The extension may not exceed 10 years from the date of the student's initial enrollment at the institution. Disabled students who have exhausted their HOPE eligibility prior to July 1, 2011, because of the five-year eligibility limit, may apply for an extension. Lastly, the bills allow a high school student in grade 11 or 12 who was awarded a dual enrollment grant and qualifies for a HOPE scholarship (or has at least a 3.0 GPA) to take an additional course each semester with the grant. Previously, the \$300 grant covered one course per semester, which counted against HOPE scholarship creditable hours — reducing any future HOPE awards to the student.

Other legislation

HB 301 and SB 488 (Public Chapter 251) prohibit harassment, intimidation, bullying or cyber-bullying of any student.

HB 1475 and SB 905 (Public Chapter 335) provide that employees in non-certificated positions serve on an at-will basis (instead of on a year-to-year contract).

HB 1631 and SB 1468 (Public Chapter 499) remove language that requires home school parent-teachers to have students in grades nine through 12 take a standardized test annually and to register with the local school system. The bills allow parent-teachers to enroll their students in church-related schools and to participate as teachers in the school. It eliminates the penalty fee for providing a late notice to the local superintendent that a parent plans to operate a home school.

Texas (<http://www.capitol.state.tx.us/>)

Because the 2012-2013 biennial budget approved by the Legislature during the regular session did not meet existing statutory funding requirements, and because the Legislature was not able to come to a consensus on a school financing agreement, a special session was convened the day following adjournment of the regular legislative session. Senate Bill 1 from the special session enacted changes to the school finance formula that permit the state to fund K-12 education at approximately \$4 billion less, over the biennium, than originally mandated by the school finance formula. The bill also pushes the last school formula funding payment of the 2012-2013 biennium into the following biennium.

Another critical education bill from the special session, Senate Bill 8, establishes several flexibility provisions designed to help school districts manage their finances in times of difficulty. The bill decreases (from 45 days to 10 days) the number of days prior to the end of the instructional term by which schools must notify probationary teachers that they will not renew their contracts, allows districts to suspend employees without pay in lieu of firing them or pending firing for cause, and requires districts to base any reductions-in-force of teachers on teacher evaluations rather than seniority. The bill establishes minimum standards that school districts must meet to declare a state of “financial exigency” and permits teacher furloughs for up to six non-instructional days. It repeals limits on school districts’ abilities to

reduce salaries. (However, any salary reductions must be applied equally to all district employees.) It also repeals sections of law that would require salary increases at charter schools and require districts to maintain traditional public school teacher and staff salaries at the 2010-2011 level. While employees cannot appeal furlough or other salary reduction decisions by a district, the bill requires that they be involved in any such decisions.

Senate Bill 6 from the special session establishes per student funding to school districts for instructional materials from the state instructional materials fund. Districts may use funds provided under this mechanism to purchase traditional and electronic textbooks and instructional materials as well as technology, training and technical support necessary to support the use of instructional materials adopted by a district.

The total biennial budget for 2012-2013 totals \$172.3 billion, down 8.1 percent from the estimated budget for the prior biennium. This includes \$86.9 billion in general funds, down 1.9 percent. Higher education funding is \$21.8 billion from all funds (down 4.3 percent), including nearly \$14.4 billion in general funds (down 7.8 percent). The general fund amount includes \$5.8 billion for four-year universities (down 5 percent), \$1.9 billion for two-year and technical colleges (down 2.7 percent), \$2.3 billion for health-related institutions (down 11.7 percent) and \$1.1 billion for the Higher Education Coordinating Board (down 22.7 percent).

Overall funds for K-12 education will rise slightly to \$53.8 billion, including \$36.8 billion in general funds (up 9 percent). Because this level of K-12 funding does not actually cover full growth in formula financing, funding was eliminated for several programs including the technology allotment to school districts and the prekindergarten grant program. The budget also substantially reduced funding for a number of other programs, including the Student Success Initiative (down 92 percent to \$23.5 million) and the District Awards for Teacher Excellence performance incentive program (down 89.6 percent to \$40 million). In addition, the budget eliminated nearly 200 positions at the Texas Education Agency.

Legislators in Texas are concerned with the negative impact that bullying can have on students' lives. In response, the Legislature approved House Bill 1942, which requires each school district to adopt a policy that prohibits bullying on school property, at school-related events or on school vehicles; prohibits retaliation against anyone providing information about bullying; prevents a student from being disciplined for using reasonable self-defense in response to bullying; and sets out available counseling options for victims of or witnesses to bullying. In addition, the legislation permits a school district to transfer a student who engaged in bullying to another classroom at the same school where the bullying occurred or to another school within the district.

The Legislature approved several accountability measures for state colleges and universities. Under House Bill 9, the Texas Higher Education Coordinating Board is required to incorporate certain student success measures (such as course credit and degree completion rates) into its formula funding recommendations to the Legislature. Senate Bill 1726 requires public colleges and universities to adopt measurable learning outcomes for each undergraduate course offered. House Bill 736 expands the

information that the Texas Higher Education Coordinating Board is required to provide through its “resumes” of colleges and universities in the state. The bill also requires the coordinating board to develop, with the Texas Workforce Commission, a comprehensive strategy to improve and coordinate the dissemination of online information regarding career schools and colleges that operate in Texas.

Several pieces of legislation concerned developmental education — courses for students who are unprepared for college-level course work. Senate Bill 162 requires the Texas Higher Education Coordinating Board to develop a statewide developmental education plan that is cost-effective, provides for using technology, and assigns primary responsibility to public junior colleges, state colleges and public technical institutes. House Bill 1244 requires the coordinating board to prescribe standards for colleges and universities to determine student readiness for college-level work, requires institutions to base developmental course work on research-based best practices and requires institutions to offer a range of developmental course work (including the integration of technology) to efficiently address the particular developmental needs of each student. House Bill 3468 requires the Texas Education Agency, in consultation with the Texas Higher Education Coordinating Board, to study best practices for early assessments of high school students in order to determine their college readiness.

Senate Bill 28 makes several major changes to the need-based TEXAS Grant program. For students who graduate from high school May 1, 2013, and later, colleges and universities will institute a “priority” award for students whose expected family contribution is 60 percent or less of the average amount of tuition and fees for full-time, in-state baccalaureate students at state universities. In addition, beginning with the 2013-2014 academic year, the highest priority for TEXAS Grants will go to students who demonstrated high levels of academic performance in high school.

Responding to concerns over the increasing price of college textbooks, the Legislature approved House Bill 33. The bill requires all public and independent colleges and universities in Texas to disseminate course schedules that include information on required textbooks no later than 30 days before the start of classes. In addition, postsecondary institutions must disseminate information to students regarding available programs for textbook rentals, guaranteed textbook buybacks, alternative delivery of textbook content, and other textbook cost-saving strategies.

Texas has established several provisions designed to encourage students at state colleges and universities to complete their degrees in a timely manner. Toward this end, the Legislature approved House Bill 3025, which requires an undergraduate student at a state college or university to file a degree plan no later than the end of the second semester in which that student has earned 45 credit hours. The bill also allows a four-year university, once a transfer student from a two-year college has earned a total of 90 credit hours, to obtain permission from the student to contact the institution from which he or she transferred and determine whether the student has met the requirements to obtain an associate’s degree.

Other legislation

HB 1334 provides that if the State Board for Educator Certification does not renew a teacher’s certificate prior to its expiration date but the teacher had by that date completed the requirements for renewal and submitted the request for renewal, the certificate is not considered expired.

HB 2910 allows the Texas Higher Education Coordinating Board to enter into agreements with nonprofit organizations to identify and implement effective methods for increasing college degree completion rates. The bill also establishes the Texas Science, Technology, Engineering, and Mathematics (T-STEM) Challenge Scholarship program.

HB 3708 establishes a new version of the Texas Save and Match Program, which will match contributions to an individual's higher education savings account with either private contributions or state funds appropriated to the program.

SB 89 requires school districts in which 50 percent or more of the students are eligible to participate in the national free or reduced-price lunch program to provide a nutrition program for at least 30 days during the summer break.

SB 738 requires the commissioner of education, when presented with a petition signed by parents of a majority of students at a school that has been reconstituted due to an unacceptable performance rating and has had such a rating for three consecutive years after reconstitution, to enact the specific corrective action requested by those parents; however, the commissioner may enact an alternative corrective action if subsequently requested by the school's board.

SB 851 requires the Texas Higher Education Coordinating Board to establish a statewide priority application deadline for state financial aid at state universities; the deadline gives priority consideration to applicants who apply on or before the deadline.

SB 1557 establishes the Texas High Performance Schools Consortium to inform the governor, Legislature and commissioner of education about methods for transforming public schools by improving student learning through the development of innovative learning standards and assessment and accountability systems.

SB 1618 requires school districts to submit all required reports to the Texas Education Agency in electronic format only.

SB 1619 requires the state Board of Education to establish a process to approve applied science, technology, engineering and mathematics courses as eligible for mathematics and science credit under the recommended high school program.

SB 1788 requires the Texas Education Agency to develop a standardized form for developing an Individualized Education Plan for a special education student, as required under the federal Individuals with Disabilities Education Act.

Virginia (<http://www.legis.state.va.us/>)

The state approved an amended 2010-2012 biennium budget totaling \$32 billion (a 2 percent increase from the original appropriation). The amended 2010-2011 budget slightly increased to \$15.5 billion (up 0.5 percent), including total K-12 and higher education funding of \$6.5 billion (down 0.4 percent). For the 2010-2011 year, any local school districts that met local maintenance of effort (wherein local school districts sustain certain levels of local funding for K-12 education) and local funding match requirements for state-funded accounts, incentive programs and lottery-funded programs had the choice to carry forward, to the 2011-2012 budget, any remaining state funds for education to spend during that budget year.

Elementary and secondary schools operated in 2010-2011 with 0.5 percent less in state funds (totaling about \$4.8 billion) when compared with last year's original appropriation. Federal recovery funds for K-12 education totaled \$122.9 million. School formula funding was reduced to \$4.7 billion (down 0.4 percent). State funds to Virginia's Preschool Initiative — which provides preschool programs for at-risk 4-year olds — declined to \$60.5 million (down 10.5 percent). Split between two funds, state fund appropriations for textbooks decreased 0.5 percent (to \$10.6 million), while lottery proceeds also decreased 0.4 percent (to \$24.8 million) for the amended budget year.

The 2011-2012 budget totals \$16.6 billion in state funds, up 0.5 percent, which includes \$6.6 billion in total K-12 education funding (up 2.2 percent). This year, state employees and postsecondary faculty (but not K-12 teachers) are receiving a 5 percent salary increase to offset a 5 percent employee retirement contribution, which was paid by the state. To counterbalance the elimination of federal recovery funds, total state funds to K-12 education are rising 4.5 percent to just over \$5 billion. The school formula is operating with 4.7 percent more in state funds (totaling close to \$5 billion).

State funds for National Board Certification remain level at \$5 million compared with the original 2010-2011 appropriation. Appropriations for textbooks are split between state funding and lottery funding — state funding is decreasing by 94.9 percent (to \$548,000), while lottery proceeds are increasing 7.9 percent (to \$26.9 million) this year. The state's preschool program is operating with 3.7 percent less state funding (at \$65.1 million). Also during the 2011-2012 budget year, local school districts that meet local maintenance of effort and local match requirements for state-funded accounts, incentive programs and lottery-funded programs again may carry forward any remaining state funds to the 2012-2013 budget.

With the governor's support, the General Assembly approved \$3 million in state funding this year to create the Virginia Performance-Pay Incentives program, which awards teachers in schools deemed as "hard to staff" with up to \$5,000 in performance pay. The governor invited 56 school districts (with 168 eligible schools) that "may have difficulty attracting, retaining and rewarding experienced, fully licensed teachers" to apply.

A school must meet at least four of eight eligibility requirements to participate in the program. These requirements are related to specific factors, including accreditation, average attendance, number

of first-year teachers in a critical-shortage area, and the percentage of teachers with provisional licenses. In addition, schools must implement a comprehensive teacher evaluation system, approved by the state Board of Education, in which at least 40 percent of a teacher's evaluation is based on student academic growth, which may include student scores on the state's Standards of Learning standardized testing system. The program begins in the 2011-2012 school year.

For the amended 2010-2011 budget year, operating funds for colleges and universities increased slightly to \$1.3 billion, compared with last year's original appropriation. However, state funds decreased 6.3 percent (to \$1.2 billion) in this year's budget. On average, tuition and fees increased at four-year institutions by 8 percent and at two-year institutions by 7.4 percent.

Based on recommendations of the Governor's Higher Education Reform Commission, the General Assembly passed the Virginia Higher Education Opportunity Act of 2011, established by House Bill 2510 and Senate Bill 1459, to fuel strong economic growth and prepare students for top job opportunities in the knowledge-driven economy. The goal of the legislation is to increase by 100,000 the number of college undergraduate degrees earned by 2025 through "the use of greater technology, year-round facilities usage, and innovative and economical degree paths."

Among its many provisions, including clarifying policies for transferring general studies and dual enrollment course credits from two-year to four-year colleges, the Act requires the development of a new higher education funding policy. The funding policy will include a per student appropriation that will follow each undergraduate student to any eligible public, two-year or four-year higher education institution in which the student enrolls. In addition, the funding policy may contain targeted economic and innovation incentives based on certain institutional achievements, such as increased enrollment and degree completion, and improved retention and graduation rates.

The bills create a new, 10-member Higher Education Advisory Committee to clarify key issues, provide advice and make recommendations to the State Council of Higher Education for Virginia. At least every five years, the advisory committee will review the methodology of the per student appropriation, the criteria for determining which families qualify as "low income" and "middle income," and the performance criteria for measuring targeted economic and innovation incentives, among other topics.

In addition, each institution's governing board must biennially adopt a six-year plan that addresses the institution's academic, financial and enrollment plans. The plan must include: specific information concerning an institution's anticipated level of annual general fund, tuition and other non-general fund support; plans for providing financial aid to help mitigate the impact of tuition and fee increases on students from both low-income and middle-income families; and undergraduate degree targets for state-resident undergraduate students. The State Council of Higher Education for Virginia will review the six-year plans annually to determine the degree to which each institution has satisfied any goals or criteria developed by the advisory committee.

To increase the number of students completing degrees in science, technology, engineering and mathematics (STEM) and other high-demand fields with anticipated employee shortages, the bills

establish a public-private partnership between educational experts, administration officials, legislators, business leaders and representatives from the scientific community to advise and develop strategies that address certain priority issues. These priority issues include: determining the need for additional high-demand degree enrollment, capacity and resources at public and private postsecondary institutions; promoting through the use of incentives greater coordination, innovation and private collaboration in kindergarten through secondary school STEM and other high-demand degree initiatives; determining and refining best practices in STEM instruction and leveraging those practices to promote STEM education in postsecondary institutions and K-12 schools; and providing financial incentives to increase STEM enrollment and degree production at public and private higher education institutions.

House Bill 1960 and Senate Bill 1439 amend the eligibility requirements for postsecondary institutions to receive tuition assistance grants — which provide aid to Virginia students who attend private colleges and universities. Any institution not admitted to the tuition assistance program prior to January 1, 2011, now must meet the following criteria: have been formed, chartered, established or incorporated within the Commonwealth; have its principal place of business within the Commonwealth; conduct its primary educational activity within the Commonwealth; and be accredited by a nationally recognized regional accrediting agency.

The governor and Legislature worked closely during the session to pass a number of initiatives to move the state forward, including passage of House Bill 2467 and Senate Bill 1062. The bills require health insurance plans in the state, beginning in 2012, to cover Autism Spectrum Disorders for children ages 2-6, up to an annual maximum benefit of at least \$35,000.

Other legislation

HB 1483 expands the list of conditions in which a local school system may secure a waiver to begin school prior to Labor Day. The new condition allows a school system, entirely surrounded by another school system that begins school before Labor Day, to begin school on the same opening date as the surrounding school system.

HB 1493 requires mandatory state certification where there is an accepted national industry certification for career and technical education for automotive technology, effective July 1, 2012.

HB 1792 and SB 1270 provide local school systems with increased flexibility to use state and local funds for certain staffing standards concerning assistant principals and instructional staff in specific mathematics, English, technology and reading programs.

HB 1861 and SB 824 allow certain military veterans to become immediate state residents for in-state tuition eligibility, as opposed to waiting for one year.

HB 2494 allows any local school board, on behalf of one or more of its schools, to request approval for an Individual School Accreditation Plan (an alternative accreditation plan that will allow a school to operate free from state regulations and state Board policies) from the state Board of Education.

West Virginia (<http://www.legis.state.wv.us/>)

Having already fared better than most states through the economic downturn, the Legislature approved a general fund budget of just over \$4 billion for 2011-2012, up 7.3 percent from the prior-year appropriation. General funds for K-12 education increased 9.7 percent to nearly \$2 billion; most of the increase was for school formula funding, totaling nearly \$1.9 billion (up 10.2 percent). The college and university system received \$309.8 million (up 12 percent), while community colleges received \$69.5 million (up 11.3 percent). Because of the state's relatively strong fiscal position, the end of federal stimulus funds is expected to have a relatively minimal effect on state finances.

Rather than providing a one-time bonus of \$800 to state employees as initially proposed by the governor, the Legislature's passage of House Bill 2879 provided a salary increase to all teachers and school employees, as well as to certain appointed state officials, state and natural resources police personnel, magistrates, state supreme court justices and family court justices. Teachers will receive an across-the-board pay raise of \$1,488, while other non-classroom staff will receive a salary increase of 2 percent. The increases took effect at the start of the 2011-2012 academic year. For other state employees, as well as higher education faculty and staff, the Legislature allocated funds in the state budget to provide a 2 percent salary increase.

During a special session in August focused primarily on redistricting, the Legislature approved Senate Bill 1001, which reduces the food tax to 1 percent (from 3 percent) on July 1, 2012. The bill eliminates the food tax if state reserve funds are at a sufficient level at the end of calendar year 2012,

Responding to ongoing concern over the issue of high school dropouts and their negative effect on the economy, the Legislature approved Senate Bill 228, the Local Solution Dropout Prevention and Recovery Innovation Zone Act. The legislation permits "innovation zone" pilot projects to establish innovative methods for reducing dropout rates, increasing high school graduation rates and returning student dropouts to school. A single school, group of schools or a school district may apply to form an innovation zone.

In 2010, the Legislature approved legislation allowing curriculum teams at schools meeting the state's adequate yearly progress requirements to select non-required instructional programs and assessment tools and to apply for a waiver to use non-required assessments in place of other certain required assessments. To help implement this change, this year the Legislature approved House Bill 3116, which clarifies the statute, giving curriculum teams the discretion to use the assessments and implement the instructional strategies and programs that they determine will best promote student achievement in a manner consistent with the approved curriculum.

The Legislature passed several pieces of higher education legislation during the regular session. Senate Bill 330 makes several technical and clarifying changes to higher education statutes. In addition, the bill allows colleges and universities to increase tuition up to 5 percent without the approval of the West Virginia Higher Education Policy Commission and requires each state higher education institution to attain, by July 1, 2015, a graduation rate that equals or exceeds the graduation rate of peer institutions.

Senate Bill 375 requires each state institution of higher education to annually report to the West Virginia Higher Education Policy Commission information necessary to determine whether those institutions are meeting minimum standards for conferring degrees. Under the legislation, the commission may revoke an institution's authority to confer degrees if the institution fails to meet minimum standards or does not provide the required information.

Tuition increases for in-state undergraduate students in 2011-2012 ranged from 3 percent to 9.5 percent at state colleges and universities; tuition increases ranged from 1.6 percent to 9 percent at community and technical colleges. (One institution did not raise tuition.)

Other legislation

HB 2550 establishes West Virginia as a member of the Interstate Compact on Educational Opportunity for Military Children.

HB 2648 raises the classroom material allotment for teachers and librarians to \$100 (from \$50).

HB 3145 provides a one-time bonus of \$1,200 to retirees in the state employees' and teachers' retirement systems.

HB 3225 expands the definition of "harassment, intimidation or bullying" to include acts that disrupt or interfere with the orderly operation of the school, to include electronic communications, transmissions or threats, and to require school board policies prohibiting harassment, intimidation or bullying to include school buses and school bus stops.

SB 484 establishes provisions for the West Virginia Higher Education Policy Commission to manage and operate the newly established West Virginia Education, Research and Technology Park.

SB 486 establishes a project for creating and implementing a revitalization plan at the West Virginia University Institute of Technology.

SB 538 establishes the Learn and Earn Cooperative Education Program to allow students in technical programs at technical and community colleges to receive paid work experience in their field while remaining enrolled full-time.

SB 592 requires every school to develop a crisis response plan.

For more information, contact Asenith Dixon, State Services coordinator, at asenith.dixon@sreb.org; Jeffrey Grove, SREB research associate, at jeffrey.grove@sreb.org; or Gale Gaines, vice president, State Services, at gale.gaines@sreb.org. All can be reached at (404) 875-9211.