



Legislative Report

A summary of final legislative actions in the 16 SREB states based on the 2010 SREB Legislative Reports

2010 Final Report
September 2010

SREB

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

As in most other states, Alabama experienced declining revenues that led the governor to order across-the-board cuts of 12 percent to the 2009-2010 state general fund (which covers state operations but not education) in April of this year. Although state agencies operated at this reduced level from the beginning of the 2009-2010 budget year, the proration order allowed the governor to withdraw money from the state's rainy day fund to balance the budget. The 2010-2011 state general fund budget totals \$1.6 billion, 3.2 percent higher than the original 2009-2010 appropriation.

The 2010-2011 Education Trust Fund budget totals \$5.5 billion, down 4 percent when compared with the original 2009-2010 budget. Because the governor ordered midyear reductions of 7.5 percent to the Education Trust Fund shortly after the 2009-2010 budget year began, it provides more funds in the 2010-2011 budget year than were available. The total appropriation for K-12 education decreases 2.9 percent to \$3.8 billion, with school formula funding accounting for \$3.6 billion of those funds (down 2.9 percent).

Due to the passage of House Bill 724, local school districts have the flexibility to spend state education funds on any operating expense during the 2010-2011 budget year. Previously, districts were required to spend the funds only within the designated categories where appropriations were made. In addition, the Legislature passed House Bill 678, which gives state agencies the authority to enact voluntary furlough plans for state employees, if the plans are applicable to the entire agency and approved by the state Personnel Department. Under prior law, state agencies did not have the power to furlough state employees.

A few programs administered by the state Department of Education are receiving slightly less funding, with the agency's overall budget decreasing 0.5 percent to \$211 million. The budget eliminates funding for the 21st Century Afterschool/Extended Day program, online professional development and the principal leadership program. Newly implemented programs include Teach for America (\$630,000) and the Positive Behavior Support Coaches program, which provides individualized behavioral support to improve school learning environments (\$150,000).

The postsecondary education budget decreases to less than \$1.5 billion, down 7.1 percent in 2010-2011 when compared with the original 2009-2010 budget amount. Funding for state universities decreases to \$1 billion, down 3.9 percent, while two-year college funding declines 6.7 percent to \$327.3 million. The Alabama Teachers Recruitment Incentive Program, administered by the Alabama Commission on Higher Education, is not funded in 2010-2011.

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During the legislative session, tremendous effort was put forth to fully fund the Prepaid Affordable College Tuition (PACT) program — a program in which individuals pay a fixed amount toward tuition and fees for a student’s future college education. The program’s expenses amounted to about \$548 million more than the funds available, due to declines in investment income and rising tuition costs. As a result, PACT suspended new enrollments indefinitely. The legislative compromise found in Senate Bill 162 requires the state to make yearly installments to PACT from fiscal year 2013 through fiscal year 2027, if necessary, until the \$548 million program shortfall is paid. Universities and colleges within the state, except for the University of Alabama and Auburn University, will limit tuition increases on PACT students during the allotted payment time.

Other legislation

HB 100 requires the posting of vacancy notices for the superintendent of education, chancellor of higher education and other education positions.

SB 442 and SB 512 authorize the sale of bonds to support school, college and university construction.

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

In 2008, voters approved a constitutional amendment that requires annual budgeting; previously, the General Assembly met biennially and prepared a two-year budget. The Legislature now holds full sessions to address both legislation and budgets in odd-numbered years and shorter, fiscal-only sessions in even-numbered years. Preparing for the first fiscal session of the General Assembly, the governor released a letter to state agency directors indicating that his budget recommendations were based on those he made prior to the 2009 legislative session (prior to the implementation of the constitutional amendment). Noting that “Arkansas remains in better fiscal shape” than many other states, he stated that his proposed budget “restores this year’s budget cuts, but that’s all.”

The 2010-2011 budget approved by the General Assembly totals nearly \$4.5 billion in general funds. While this is 2.5 percent lower than the originally enacted 2009-2010 budget, reductions of more than \$200 million were made subsequently to that budget. Formula funds for K-12 schools total \$1.8 billion (down 1.9 percent), while funding for state colleges and universities totals \$725.5 million (down 1.4 percent).

In 2008, Arkansas voters also approved the creation of a state lottery to fund scholarships for college students. In addition to adopting a budget for 2010-2011 during the fiscal session, the General Assembly established award amounts for lottery-funded scholarships. The governor advocated awarding “the largest scholarships possible to as many recipients as we can — including students currently in college.”

With the passage of House Bill 1163 (the Jodie Mahony Scholarship Act), lottery-funded scholarships for students at four-year institutions equal \$5,000 per year, while scholarships for students at two-year institutions equal \$2,500 per year. Generally, full-time scholarship recipients must take at least 15 credit hours per semester. Traditional, full-time undergraduate students must complete 30 credit hours in each school year, and non-traditional full-time students must obtain 15 credits in two con-

secutive semesters. Part-time scholarship recipients must complete six credit hours in consecutive semesters. In all cases, summer semester credits do not count toward the requirements.

To receive a lottery-funded scholarship, students generally are required to earn at least a 2.5 grade-point average (GPA) in high school or have a score of at least 19 on the ACT. However, beginning in 2011, students from high schools identified as schools with grade inflation (a statistically significant variance between students' test scores and their GPAs) must earn a 2.5 GPA and either a score of at least 19 on the ACT or a score of proficient or higher on all state-mandated, end-of-course assessments. Students already enrolled at colleges or universities applying for lottery-funded scholarships must have 12 or more credit hours, with at least a 2.5 GPA.

Under the legislation, a student's financial aid package amount may not exceed the cost of attendance. If the total financial aid package of a student who is receiving a lottery-funded scholarship exceeds the cost of attendance, the institution awarding the aid must first reduce funds from the lottery-funded scholarship.

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

The budget approved for 2010-2011 increases state general fund expenditures 6.9 percent above the 2009-2010 budget to \$3.3 billion. However, education budgets are lower than the preceding year — spending through the state Department of Education (which includes K-12 education) is down 10.7 percent to a little over \$1 billion, while higher education spending is down 5.4 percent to \$212.1 million. The largest reduction in education is due to a transfer of debt service to another part of the budget (described below). The state employee work force funded in the 2010-2011 budget is more than 500 positions smaller than in the 2009-2010 budget.

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

The largest reduction in K-12 spending is an 8 percent drop in general funds for school district operations, to \$837.7 million; this is primarily due to \$90.7 million budgeted for school district debt payments being shifted to the State Treasurer's Office. School transportation funds decline 4.3 percent to just under \$84 million, including cuts to funding for fuel, employment costs and transportation reimbursement to families of non-public school students. The budget also shifts the cost of "unique hazard" bus routes (which keep students away from dangerous roads) to local school districts, and it creates a committee to recommend further cost reductions and savings in student transportation.

Funding is down at all three postsecondary institutions in the state, to \$115.7 million at the University of Delaware (down 5.5 percent), \$32.2 million at Delaware State University (down 10.3 percent), and \$64.2 million at Delaware Technical and Community College (down 2.6 percent). Tuition and fees for in-state undergraduate students in 2010-2011 are up 5.9 percent at the University of Delaware, 5.1 percent at Delaware Technical and Community College, and 3.5 percent at Delaware State University.

The Legislature focused heavily on special education in the 2010 regular session in order to bring state statutes and regulations in compliance with the federal Individuals with Disabilities Education Act (IDEA). In matters involving students eligible for special education, House Bill 328 requires courts, administrative tribunals, school districts and schools to use the definition of “free and appropriate education” as determined in a 1999 federal circuit court ruling. House Bill 396 aligns several provisions of the state’s special education laws with requirements under IDEA. House Bill 387 establishes required notifications to various parties when the parents of a child with disabilities request a due process hearing regarding the child’s education, and House Bill 386 requires school board members to receive training concerning those due process hearings.

Delaware law requires schools to report to law enforcement certain misdemeanor crimes committed by students nine years of age and older; in some cases, school personnel also are required to initiate a criminal prosecution. Based on recommendations of the Legislative Subcommittee of the School Discipline Task Force, created in 2009, House Bill 347 increases from 9 years old to 12 the minimum student age at which school officials are required to report misdemeanor crimes to law enforcement.

Teachers generally are considered “tenured” in Delaware after three years of service; this status conveys certain protections to teachers regarding termination, notice of termination and hearings regarding terminations. With the approval of Senate Bill 263, teachers also must show at least two years of satisfactory student growth in the three-year probationary period to receive tenure.

The merit-based SEED scholarship program, which provides assistance to students seeking associate’s degrees, generally requires a recipient to enroll in college in the fall following his or her high school graduation and to maintain a full-time course load in college. Senate Bill 41 allows students who lived in foster care under the Department of Services for Children and Their Families at any point between the ages of 16 and 18 to earn SEED scholarships without enrolling immediately in college or maintaining a full-time course load. However, to retain SEED eligibility, these students must begin their post-secondary education before they are 25 years of age and must complete their associate’s degrees within five years.

Other legislation

HB 283 establishes the Deaf or Hard of Hearing Child’s Bill of Rights for hearing-impaired students in Delaware public schools.

HB 335 requires the Secretary of Finance to develop a mechanism for taxpayers to deposit a state income tax refund directly into the Delaware College Investment Plan.

HB 345 makes American Sign Language a “world language” under the state’s school curriculum.

HB 470 modifies the responsibilities of the state’s Management Resource Committee and Early Childhood Council to align the operations of those entities with guidelines under the federal Head Start program.

HB 482 dissolves the Delaware Higher Education Commission as a unit of the state Department of Education and vests the commission’s functions with the Delaware Higher Education Office within the Department of Education.

SB 245 requires student teacher candidates to undergo the same criminal background check that is required for all prospective public school employees.

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

After three consecutive years of declining budgets, the Legislature approved a 2010-2011 general fund budget of \$23.8 billion, 12.2 percent more than for 2009-2010. The increase utilizes expected revenues from a gaming compact with the Seminole tribe and transfers from other funds. Health insurance benefits for state employees are reduced slightly, and a number of employees who previously did not pay for health insurance now contribute a small amount (\$8 per month for individual coverage and \$30 per month for family coverage).

General funds for K-12 education increase 12.2 percent to \$9 billion. This includes nearly \$5.9 billion in formula funding for schools and a funding increase of \$1.22 per student. However, this state portion accounts for less than half of the total formula funding amount; with declining local revenues, the overall increase in K-12 formula funds is only a few percentage points. In addition, constitutionally mandated class-size requirements taking effect in October 2010 may cause costs to exceed the increased amount of funding provided to local schools. Elementary and secondary education funding for 2010-2011 includes savings from the elimination of a ninth-grade state mathematics test, as well as the phasing out of 10th-grade mathematics and 11th-grade science tests by the end of the fiscal year.

Community colleges are operating with \$910 million in general funds (up 6.9 percent), while universities are operating with \$1.9 billion (up 3.4 percent). The Legislature increased tuition by 8 percent at all public colleges and universities. Universities have authority to impose an additional 7 percent increase. All institutions raised tuition by the maximum amount of 15 percent. When tuition and required fees are considered, in-state undergraduates will pay increases ranging from 11 percent to 17 percent. The merit-based Bright Futures scholarships do not cover these increases. The funding for universities includes \$10 million for the New Florida initiative, which is designed “to create a new Florida economy based on knowledge and innovation” and support research and education efforts in science, technology, engineering, mathematics and medicine. The initiative seeks to create a more stable, statewide economic foundation based on knowledge and innovation and built on high-technology, high-wage jobs. Expected outcomes include increased college-degree production, new faculty positions that would bring in additional research funding, an increase in patent awards, medical breakthroughs, and higher college retention and graduation rates.

Senate Bill 4 amends high school graduation requirements for students entering ninth grade (beginning in 2010-2011) to require specific and more rigorous math and science courses. The bill also requires students entering ninth grade in 2011-2012 to pass an end-of-course assessment in Algebra I. Students entering high school in 2012-2013 also are required to pass assessments in Biology I and geometry. If other statewide end-of-course assessments are developed, they will count as 30 percent of the student’s grade in the course. The bill calls for the elimination of the existing state testing program in high school math and science as the end-of-course assessments are implemented.

Other provisions in the legislation allow accelerated students to receive credit for high school courses with satisfactory performance on the statewide end-of-course examinations. By 2011-2012, all public high schools are required to offer advanced programs, such as the International Baccalaureate program, Advanced Placement or dual enrollment classes. The bill deletes a requirement that students earn four of eight elective credits in an area of interest selected by the student.

Higher education governance continues to be a key topic after a number of years of discussion. Legislation passed beginning in 2000 revamped the statewide governance of education by eliminating the state Board of Education, state Department of Education, Board of Regents and State Board of Community Colleges in favor of a new Florida Board of Education, responsible for all levels of education. The bill created Boards of trustees to govern each university. In 2002, voters passed a constitutional amendment that re-created a statewide board to govern the university system, while the boards of trustees would continue to govern their individual institutions. This led to questions about where various responsibilities and authorities fell.

House Bill 7237 clarifies the governance system by establishing the Board of Governors' (BOG) authority over the university boards of trustees and the university personnel system. The BOG now confirms presidential selections by university boards and approves new degree programs. A new planning and coordination council identifies university system needs, addresses disputes in a number of areas, and makes recommendations relating to articulation and access to higher education. Responsibility for establishing tuition rates remains with the Legislature, but the bill delegates to BOG responsibility for additional tuition increases authorized in 2009 legislation. (Senate Bill 762 of 2009 permits institutions, with BOG approval, to charge a differential tuition above the rate set by the Legislature in the state budget. The differential tuition, plus the rate set in the budget, may not exceed 15 percent each year.) The BOG also is authorized to approve university board proposals for flexible tuition and fee policies.

House Bill 5201 addresses several higher education issues. Among its many provisions, the bill modifies the merit-based Bright Futures scholarship program by raising qualifying ACT and SAT scores annually through 2013-2014 for the various award levels of the program. Students still may delay entering college for three years after high school graduation, but once they enter college, they may utilize the award for five years (previously, seven years), though there are provisions for persons interrupting their education due to military service. The award covers 100 percent of the credit hours required for a two- or four-year degree (previously, 110 percent), but students who complete their four-year degrees in seven semesters may apply their Bright Futures awards to no more than 15 credit hours at the graduate level. The bill also allows universities to increase student fees up to 15 percent for 2010-2011 only. Previously, the cap was set at 5 percent.

Other legislation

HB 723 provides tuition and fee waivers to public school teachers for up to six credit hours of undergraduate courses each semester, provided the teachers meet academic requirements, space is available in the courses, and courses are taken outside of the regular school day. Courses are limited to the areas of special education, mathematics and science.

HB 1505 expands the eligibility criteria for scholarships that allow students with disabilities to attend private schools.

HB 1581 authorizes the creation of a Doctor of Medicine program at Florida Atlantic University, subject to the approval of the Board of Governors.

SB 436 changes the names of four community colleges to reflect their status as colleges offering four-year degrees.

SJR 2 is a proposed constitutional amendment that will go before voters in November 2010. If passed, it would revise class-size requirements currently in the constitution. The change would permit schools to determine their class sizes by looking at schoolwide averages by grade level rather than the numbers of students in each individual classroom.

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

To make up for continued revenue losses during the 2009-2010 budget year, the governor signed a reduced state budget of \$17.1 billion in total state funds (down 8.1 percent from the original appropriation), including \$14.5 billion in state general funds (down 10.9 percent), \$1.2 billion in total federal recovery funds and a little more than \$1 billion in projected lottery proceeds (up 18.7 percent).

Although many teachers and all state employees were furloughed three days earlier in the 2009-2010 budget year, the Legislature further reduced state agency budgets in the amended 2009-2010 budget to reflect three additional furlough days for state employees and, possibly, teachers. The state Department of Education has the authority to issue a waiver allowing each local system to decide whether to furlough teachers or transfer budget funds to avoid teacher furloughs.

Amendments to the 2009-2010 budget decreased total state general funds for elementary and secondary education to \$6.6 billion, down 10.6 percent from the original 2009-2010 appropriation. The school formula fund fell 10.5 percent to approximately \$5.7 billion in state funds. A little more than \$201.9 million in federal recovery funds was added to the amended 2009-2010 K-12 budget on top of the \$413.2 million appropriated in the original budget.

Funding for various programs declined in 2010-2011: the academic coach program that provides teacher mentoring to schools in need of science and math improvement (\$2.1 million, down 20.2 percent), central office operations (\$29.7 million, down 11.6 percent), career and technical education (\$14.6 million, down 10.5 percent) and student transportation (\$141.4 million, down 16 percent).

For postsecondary education, the amended 2009-2010 budget was 18.7 percent less than the original appropriation and provided a little less than \$2 billion in total state general funds. General funds to state universities declined 17.1 percent to \$1.7 billion, while two-year college funding fell 27.5 percent to \$269.1 million. Additional federal recovery funds — \$164.6 million for state universities and \$32 million for two-year colleges — for the amended year provided some cushion from reductions.

To close the current fiscal year's projected \$785 million budget gap, the Legislature passed a total state-funded 2010-2011 budget of \$17.9 billion, which is 3.7 percent less than the original 2009-2010 budget. The 2010-2011 budget includes a total of \$15.4 billion in state general funds (down

5.2 percent) and \$995.2 million in federal recovery funds. In late July, the governor ordered 4 percent across-the-board cuts to all state agency budgets, except the Department of Education, beginning in August.

State revenues are expected to rise with the passage of House Bill 1055. The legislation increases fees for licensing (providing an estimated \$96 million in revenues) and creates a new hospital provider tax of 1.45 percent on patient revenues (about \$229 million in additional revenues) to fund Medicaid. The hospital tax sunsets in three years. Over the next five years, the bill phases out the state's portion of the homeowners' property tax and all income tax on retirement income for those ages 65 and above, saving taxpayers over \$245 million annually.

In the 2010-2011 budget, total state general funds to K-12 education decrease 5.5 percent to about \$7 billion compared with the original 2009-2010 budget. The school funding formula stands at \$6.1 billion, a decrease of 4.1 percent. In addition, the budget includes \$821.5 million in federal recovery funds.

A group of bills passed this legislative session provides budget fund flexibility to local school districts. House Bill 905 sets June 30, 2015, as the repeal date for language allowing local districts to receive state funds for capital outlay projects. In addition, House Bill 908 provides budget fund flexibility for local school districts and allows school systems to increase class sizes through 2012-2013. House Bill 977 prohibits local districts that furlough teachers, staff and other personnel from using any state funds to provide salary increases to local superintendents or administrators in the same school year.

The Legislature eliminated the annual back-to-school sales tax holiday in 2010-2011, as well as classroom supply gift cards and the academic coach programs. National Board Certification (NBC) program funds also are eliminated. Last year, the General Assembly cut funding for the NBC program in half, prompting the Professional Association of Georgia Educators to file a lawsuit against the state. In August, a superior court judge ruled in favor of the state to dismiss the lawsuit.

During the current budget year, state funding for school improvement declines 30.9 percent to \$5.8 million. State funding for testing falls 38.1 percent to \$13.8 million. Initially up for elimination, Regional Education Service Agencies (RESAs) continue to operate by overseeing the Information Technology Centers and the Math Mentor program. State funding for RESAs in the original 2009-2010 budget totaled \$12.1 million; due to an elimination of RESA funding and program transfers, the RESA budget falls to \$9.3 million, a decrease of 23 percent. The Governor's Honors Program is operating over four weeks, instead of its typical six weeks, due to funding reductions of 22 percent (\$1.1 million).

To prepare students for a seamless transition from high school to college, House Bill 400, which creates the Building Resourceful Individuals to Develop Georgia's Economy Act (known as the BRIDGE Act), was passed. The legislation allows high school students to receive secondary and post-secondary credit for completing any articulated or dual enrollment course. Students in grades six, seven and eight will receive counseling and participate in career awareness programs for the creation of an individual graduation plan in eighth grade.

In addition, the legislation establishes a competitive grant program for local school systems to implement school reform measures in selected high schools, with priority for grants given to chronically low-performing high schools. Lastly, the bill allows the state Board of Education to consider the passage of an

industry certification examination or a state licensure examination when deciding whether to grant a student waiver for one or more portions of the Georgia High School Graduation Test. Previously, this option did not exist.

The total postsecondary education budget for 2010-2011 falls 8.3 percent to \$2.2 billion. State colleges and universities see reduced funding of \$1.9 billion, down 7.3 percent. Technical colleges receive 13.8 percent less in state funding, for a total of \$319.9 million. Only four-year institutions receive federal recovery funds in 2010-2011, equaling \$23.2 million. For the 2010-2011 school year, tuition for in-state undergraduates will increase, ranging from \$50 (a 4.4 percent increase) at two-year colleges to \$500 (a rise of about 16.5 percent) at the state's three research institutions. The tuition increase will generate an estimated \$80 million for the University System of Georgia. In addition, students will continue to pay a special institutional fee, ranging from \$100 per semester for students at state and community colleges to \$200 per semester for students at research universities.

Lottery funds are projected to increase 20.2 percent in 2010-2011 to \$1.1 billion. Funding was eliminated for the PROMISE scholarship, forgivable loans to junior- and senior-year students who aspire to be teachers in Georgia. Other scholarship program funding eliminated includes Guaranteed Educational Loans (forgivable loans for students enrolled in critical fields of study) and the Teacher Scholarship (forgivable loans to teachers seeking advanced education degrees in fields of study with critical shortages). In addition, the Legislature approved \$15 million for the creation of a new needs-based scholarship, the HOPE College Opportunity Grant, to be awarded as a supplement to other grants and in combination with other financial assistance, not to exceed the total cost of college attendance. It is estimated that eligible students will receive about \$100 each.

Other legislation

HB 906 extends the deadline by which school districts must offer teachers contracts for the upcoming year from April 15 to May 15 through 2012-2013.

HB 923 extends the deadline by which non-administrator educators must complete leadership degrees in order to be paid for those advanced degrees.

HB 936 allows local school districts to use transportation funds to refurbish old school buses rather than buy new ones. It also amends the authority and the membership of the Georgia School Authority.

HB 1307 suspends educator Professional Learning Unit requirements through July 2015.

SB 84 creates ethics rules for local school boards.

SB 299 increases the possible charge to a felony for a child who brings particular weapons within a certain distance of a school building, school function or school zone.

SB 341 requires the Georgia Student Finance Commission (GSFC) to define a legal state resident for the purpose of eligibility for HOPE scholarships and grants.

SB 387 requires GSFC to provide students in grades six through 12 with Web-based counseling advisement, career awareness inventories and information to assist them in evaluating their academic skills and career interests and as a resource for developing their graduation plans.

SB 427 establishes the Georgia Foundation for Public Education as a public organization that solicits and accepts contributions in support of educational excellence in the state, in addition to other functions.

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

Unable to reach an agreement on a budget for the 2010-2012 biennium prior to the end of the regular session, the Legislature convened in a special session in late May to approve a new budget before the start of the fiscal year. The general fund budget for the 2010-2012 biennium provides \$8.2 billion in 2010-2011, down 8.5 percent from the original 2009-2010 appropriation but up 2.4 percent from the reduced appropriation. (Budget adjustments were made early in 2010 by the governor.) In 2011-2012, the budget rises to nearly \$9.4 billion (up 9.5 percent).

Overall, general funding for K-12 education in 2010-2011 is \$3.7 billion, 6.4 percent lower than the original 2009-2010 appropriation but slightly more than the reduced appropriation. This includes \$2.7 billion in SEEK formula funding for schools, 8.3 percent below the original 2009-2010 amount and roughly the same as the amended amount. General funds for K-12 will increase in 2011-2012 to \$3.8 billion (up 4.7 percent), including \$2.9 billion for SEEK formula funding (up 6.4 percent).

At \$1.2 billion, postsecondary education funding in 2010-2011 is 8.8 percent less than the original 2009-2010 appropriation and slightly less than the amended appropriation. Postsecondary funding will increase 3.2 percent in 2011-2012 to over \$1.2 billion. Tuition for in-state undergraduate students will increase 6 percent at the two research universities, about 5 percent at the six comprehensive universities, and 4 percent at community and technical colleges. Community college students who are enrolled in 2010-2011 and re-enroll in 2011-2012 will see no increase in the latter year.

The Legislature completed early in the session one of the governor's education policy priorities — passing education reform legislation to help Kentucky compete in the federal Race to the Top competition. House Bill 176 expands the options available for restructuring schools that fail to make adequate yearly progress for three consecutive years and high schools with graduation rates of 60 percent or less for three consecutive years. Under the legislation, these schools must choose between management by an external management organization, replacing the principal and at least half of the existing faculty and staff, replacing the principal and school board and instituting certain school improvement strategies, closure of the school, or another restructuring model permitted under the federal *No Child Left Behind Act*. Additionally, the legislation announces the Legislature's intent to expand Advance Kentucky (a mathematics and science initiative to boost student achievement on Advanced Placement examinations) from 12 to 32 schools over four years, utilizing state, local and private funding.

Another education policy priority of the governor was to increase cooperation between the state's two- and four-year colleges to ensure that students can transfer as many course credits as possible. House Bill 160 requires the Kentucky Council on Postsecondary Education to develop a statewide course credit alignment system between two- and four-year colleges. The system will utilize both general education and program-specific "learning outcomes" and will establish a statewide uniform course-numbering system. Additionally, colleges and universities are encouraged to limit, for students

who enroll for the first time in 2012-2013 and beyond, degree requirements to 60 credit hours for associate's degrees and 120 hours for bachelor's degrees.

In keeping with the nationwide trend of moving toward more efficient and environmentally conscious public facilities, Senate Bill 132 encourages the Kentucky Department of Education and school districts, when building new school facilities or undertaking major renovations of existing school facilities, to utilize efficient building designs that result in lower operating costs and a diminished environmental impact. The bill also establishes an efficient school design trust fund to help offset additional costs incurred by the use of efficient school building designs.

Senate Bill 163 aims to improve the ability of middle grades and high school students to read and comprehend complex materials in core subjects. The Kentucky Department of Education is charged with identifying student reading skills in each subject area that align with the state's curriculum, identifying teaching strategies that develop those skills, and encouraging the development of reading plans that improve reading comprehension. The Collaborative Center for Literacy Development at the University of Kentucky will assist in the development of the reading plans.

In 2008, the Legislature convened a special session to strengthen the long-term fiscal health of the state retirement systems, including the Kentucky Teachers' Retirement System. However, concern remained over the ability of the system to provide health care benefits to retired teachers while remaining financially stable. The Legislature addressed this concern by passing House Bill 540, which establishes an insurance trust fund to provide health benefits to retirees under the system and requires current teachers contributing to the system to begin making payments into the insurance trust fund as well. Contributions to the fund begin at 0.25 percent of a teacher's pre-tax salary, and over six years increase to a contribution rate of 3 percent. Retired system members who are receiving medical benefits under the plan but who have not yet turned 65 are required to pay into the insurance trust fund; the amount of this payment increases gradually until July 1, 2012, when it equals the Medicare Part B premium.

Other legislation

HB 51 requires middle grades and high schools to disseminate suicide prevention awareness materials to all students each year by September 1.

HB 376 permits local boards of education to provide salary supplements to speech-language pathologists and audiologists. The amount of the supplement is the same as salary supplements provided to National Board Certified teachers.

SB 61 confirms a 2009 executive order that reorganized the Kentucky Department of Education.

SB 65 requires all middle grades and high school principals, counselors and teachers to spend at least two hours every year reviewing suicide prevention materials.

SB 89 extends the \$2,000 annual salary supplement for achieving National Board Certification to certified teachers at technical schools.

SB 114 allows nonprofit entities, such as school boards, to lease property from government entities for the purpose of constructing school buildings.

SB 127 allows each of the six state universities to establish doctoral programs in nursing, with the approval of the Kentucky Council on Postsecondary Education.

SB 180 creates a one-year, temporary, provisional teacher certification for Teach for America participants; the certification is renewable twice.

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

In December 2009, the governor requested across-the-board midyear cuts to state agencies that did not affect school formula funds. Agency heads reduced their 2009-2010 budgets either 7.6 percent in state funds or 3 percent in total funds.

The 2010-2011 budget closes a shortfall of \$580 million. The current year's budget totals \$26.9 billion, down 7.2 percent from last year's original appropriation, including \$7.1 billion in state general funds (down 6.8 percent) and \$1.5 billion in federal recovery funds. State agencies eliminated 3,000 state positions and implemented 1,300 layoffs.

The overall budget total for elementary and secondary education is \$5.6 billion (an increase of a little more than 1 percent), which includes \$316 million in federal recovery funds. The Minimum Foundation Program, the school finance formula, stands level at \$3.3 billion, including \$3.1 billion in state general funds and \$140 million in lottery funds. State general funds fell 7.5 percent for the state's early childhood program, LA4, to \$74 million and will serve about 16,000 at-risk children.

In an effort to improve student achievement, the Legislature approved House Bill 1368, creating a process for local school districts to apply for waivers from certain state education provisions. Local school districts may request a waiver from the state Board of Education for any school if a majority of teachers at that school vote in favor of the request. Waivers are effective for up to four years. Low-performing schools will have to meet specific measures within two years of receiving a waiver for improving teacher effectiveness, quality of instruction and student academic achievement.

House Bill 1033 directly connects teacher evaluations and student achievement. In the future, annual evaluations of teacher performance and effectiveness by a local board of education will rely in part on growth in student achievement as measured by a value-added assessment model. The development of an assessment model will originate from a 13-member Educator Evaluation Advisory Committee.

Under the bill, by the beginning of the 2012-2013 school year, student achievement growth measures will make up 50 percent of public school and charter school teachers' and administrators' evaluations. Once implemented, if a public school teacher's evaluation meets the standards for effectiveness set by the state Board for three years during the initial certification or renewal process, then the state Board will issue the initial certificate or renewal. However, if the public school teacher's evaluation does not meet state Board effectiveness standards for three years, the state Board will not issue a certificate or renewal. The governing body of a charter school will terminate charter school teachers or administrators found ineffective for three consecutive years.

Other education reform efforts include House Bill 433, which authorizes the state Board to adopt a uniform grading scale for use by public elementary and secondary schools and other public schools and

programs. Senate Bill 701 allows courts to require truant students under age 18 who withdraw from high school before graduating to choose one of three options within 120 days of leaving school. The students may re-enroll in school and make continuous progress toward completing graduation requirements, enroll in a high school GED program and make continuous progress, or enlist for two years in the Louisiana National Guard or a branch of the United States Armed Forces.

Senate Bill 83 expands the types of high-stakes standardized assessments offered through the Louisiana Education Assessment Program (LEAP) that students in grades three, five, seven and nine must take each year. Previously, LEAP testing was composed only of one national norm-referenced test. Beginning this school year, instead of just the previous test type, LEAP may annually administer one national norm-referenced test, one criterion-referenced test or one augmented norm-referenced test (a norm-referenced test that is enhanced to align with state standards).

Postsecondary institutions receive just under \$3 billion in overall funds for 2010-2011, a decrease of 3 percent from last year's appropriation. State general funding is down 15.2 percent from the original 2010 appropriation, to \$1.1 billion in state general funds for the 2010-2011 budget year. To offset the decreases in funding, the Legislature appropriated \$289 million in federal recovery funds to higher education — \$100 million more than last year.

The need-based GO Grant program, which bridges the gap between other student financial aid and unmet financial need, receives \$26 million in state general funds (about 10.3 percent lower than last year's appropriation), enabling it to award approximately 20,000 grants. Funding for the TOPS program, a merit-based scholarship program, is up 3.2 percent this year to \$134 million — including \$119 million in state general funds and \$15 million from another funding source, for approximately 43,350 awards.

Created by the Legislature in 2009, the Postsecondary Education Review Commission conducted a study of the state's postsecondary education system and adopted 22 recommendations. The passage of House Bill 1171, the Louisiana Granting Resources and Autonomy for Diplomas (GRAD) Act, fulfills a commission recommendation to grant institutions limited operational autonomy and flexibility, and tuition and fee authority. In exchange, institutions commit to improving graduation rates and achieving other performance measures set by the state. Institutions that meet specific performance measures may raise tuition rates by 10 percent at most.

In late July, the Board of the Louisiana Community and Technical College System voted to increase tuition rates within the GRAD Act limitations. During the 2010-2011 school year, tuition rates will rise 5 percent (an increase of \$27 to \$58) for in-state students and 10 percent for out-of state students. Increases at four-year colleges and universities range from 8 percent to 10 percent. The increases are tied to the performance measures outlined in House Bill 1171 (described above).

Other legislation

HB 405 requires the state Board of Education to adopt guidelines for the appropriate use of seclusion and physical and mechanical restraint of students with disabilities.

HB 1141 allows local school boards to institute certain policies regarding public elementary schools denying a student a scheduled meal for any reason. Among other provisions, the school must notify the

parents or guardian of the time and date of the denial of a meal and verify that the student does not have an Individualized Education Plan that requires the child to receive meals.

HB 1458 requires each local school board to amend the student code of conduct manual by January 1, 2011, to prohibit cyberbullying of a student by another student.

SB 112 prohibits any achievement or performance data for students within the juvenile justice system from use in calculating any school or district performance score or measure for a city or local school system where a facility is located.

SB 182 increases the book and educational expense allowances to Louisiana Guardsmen who receive the merit-based TOPS scholarship — composed of three types of award tiers. Opportunity and Tech awards rise to a maximum of \$300 per semester from \$100 per semester, Performance awards increase to a maximum of \$700 per semester (previously \$350), and Honor awards rise to \$1,100 per semester (previously \$550).

SB 285 includes the Office of Juvenile Justice's education program in the state's school funding formula.

SB 297 moves the adult education program from the Department of Education to the Louisiana Community and Technical College System, effective July 1, 2010.

SB 527 provides teachers, administrators and other school personnel with classroom management training.

SB 746 authorizes legislative oversight of the newly created performance-based higher education funding formula, beginning with the 2011-2012 school year.

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

After revenue shortfalls necessitated three rounds of budget reductions during the 2009-2010 fiscal year (reducing general fund appropriations nearly 4 percent), the Legislature approved a general fund budget of \$13.6 billion for 2010-2011, 3.5 percent less than originally approved for 2009-2010. This includes phasing out more than 500 state government positions, eliminated as a part of the budget reductions, and \$261.5 million transferred to the general fund from highway user revenues.

Total state assistance for K-12 education equals \$5.7 billion, an increase of 3.8 percent. This includes \$422.3 million in federal recovery funding for K-12 education in place of general funds. Despite the overall funding increase, special education funds (for both operations and transportation) declined slightly. In addition, the guaranteed tax base program (supplemental funding to school districts to help make up for lost local tax revenue) is funded at \$47.4 million for 2010-2011, about half of the original 2009-2010 level.

Four-year colleges and universities receive \$1.1 billion in state funds, down 3.5 percent from the original 2009-2010 level, while community colleges receive \$297 million in state funding, down 4.1 percent from 2009-2010. Tuition at four-year institutions, which was frozen at 2005 levels, will increase up to 3 percent. State aid to independent colleges and universities in 2010-2011 is 26.3 percent less than originally appropriated for 2009-2010, at \$38.4 million.

Maryland chose not to participate in the first round of applications for federal Race to the Top funding, giving the Legislature time to enact reforms to strengthen the state's application for the second round of funding. In order to respond to the Race to the Top goal of having "highly effective" teachers and principals, the Legislature approved House Bill 1263, the Education Reform Act of 2010. The legislation increases the time for teachers to earn tenure from two years to three years (for teachers hired on or after July 1, 2010), requires annual evaluations of non-tenured teachers, and requires teacher performance evaluations to include student achievement growth as a significant component. The bill requires the state Board of Education to establish a program providing locally negotiated incentives for highly effective teachers and principals who teach in certain low-performing schools and schools with the highest proportion of students eligible for free and reduced-price meals.

While Maryland has a statewide student data system, the current system cannot identify teachers or track a student into higher education once he or she graduates from high school. Both of these elements are among the "essential" components of an effective longitudinal education data system, as determined by the national Data Quality Campaign. The effectiveness of a state's longitudinal education data system is part of that state's Race to the Top application. Senate Bill 275 establishes the Maryland Longitudinal Data System; requires the system to reach full operational status by the end of 2014; and requires it to follow students at every level of education, as well as into their first five years in the state's work force.

As states and school districts have sought ways to innovate and improve instructional delivery, alternative school schedules have gained attention. House Bill 439 and Senate Bill 542 require the state Board of Education to explore the use of innovative school scheduling models (including extended-year and year-round calendars in low-performing or at-risk public schools) and encourage schools to use those models.

House Bill 243 and Senate Bill 590 (the Fairness in Negotiations Act) establish the Public School Labor Relations Board to administer and enforce labor relations laws and collective bargaining agreements between local boards of education and their employees. The new board assumes the duties previously held by the state Board of Education to settle labor disputes between boards of education and their employees, and the duty previously held by the state superintendent of schools to declare an impasse in labor negotiations and order mediation between the parties.

Legislation in 2007 established the Higher Education Investment Fund and also increased the state corporate income tax rate from 7 percent to 8.25 percent. Since that time, 6 percent of corporate income tax revenues collected by the state were deposited into the fund, though the fund was not authorized on a permanent basis. House Bill 470 and Senate Bill 283 permanently authorize the fund in state statutes, as well as the distribution of 6 percent of corporate income tax revenues to the fund. In addition, the bills establish an account within the fund to stabilize tuition costs for in-state undergraduate students at public four-year colleges and universities.

Other legislation

HB 223 prohibits the state from imposing, in fiscal year 2010, penalties on local school districts for providing less funding per student from local revenues than in fiscal year 2009.

HB 334 and SB 256 both require any public school facilities that are newly constructed or completely renovated and reoccupied after 2012 to include a gymnasium and support spaces for physical education.

HB 1044 and SB 234 require any community college capital projects receiving state funding to comply with the state High Performance Buildings Act, which requires most new and renovated state buildings to meet certain standards of energy efficiency.

HB 1362 permits local boards of education to establish virtual schools on or after September 1, 2011, subject to the approval of the Maryland State Department of Education.

SB 74 delays from October 15, 2010, to October 15, 2012, the date by which local boards of education must submit new comprehensive, five-year master plans to the Maryland State Department of Education. These master plans are a part of the Bridge to Excellence in Public Schools Act of 2002.

SB 80 establishes in state statutes the current practice that, in addition to scholarships and grants, all other statewide student financial assistance programs are awarded or administered by the Office of Student Financial Assistance within the Maryland Higher Education Commission.

SB 286 establishes the Governor's P-20 Leadership Council of Maryland in state statutes.

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

To account for declining revenues during the 2009-2010 budget year, the governor ordered 5 percent midyear spending reductions in both September and December. In addition, the Legislature amended the budget by decreasing state funds 6.4 percent to \$5.6 billion from the original 2009-2010 appropriation. Program and operating budget cuts to elementary and secondary education amounted to about 7 percent in state funds. Postsecondary education budgets also declined 8.5 percent during 2009-2010.

The governor called a special session to provide \$70 million in needed funding to the Public Employees Retirement System (PERS), which covers state employees and education personnel. Without the funds, the state would stand to lose about 1,000 jobs. As a result, the Legislature passed House Bill 1, which increases the PERS employee contribution to 9 percent from 7.3 percent for the 2010-2011 fiscal year only. System members retiring on or after July 1, 2010, will receive a one-half day of leave for each year of creditable service. The bill also gives retirees an additional option for benefits distribution that provides the designated beneficiary, upon the PERS member's death, with three-quarters of the member's remaining retirement allowance.

The total 2010-2011 state-funded budget of \$5.5 billion funds most state agency budgets at basic operating levels. The budget is 8.1 percent lower than original appropriations for 2009-2010. The overall 2010-2011 budget includes \$383.2 million in federal recovery funds.

Total state funding for elementary and secondary education in 2010-2011 falls just below \$2.3 billion, down 11.4 percent compared with the 2009-2010 original budget. Slightly less than \$128.4 million in federal recovery funds were added to the overall K-12 budget. For the second fiscal year in a row, state funds for the school finance formula decreased. Formula funds total \$2.1 billion in 2010-2011, down 9.4 percent.

To assist local school districts with budget shortfalls, House Bill 1170 provides local districts with the option of furloughing all instructional, non-instructional and administrative personnel for a maximum of three days during the 2010-2011 school year and three days during the 2011-2012 school year. Furloughed personnel with contracts of at least 187 days must take one-half day of personal leave without pay on non-instructional days.

House Bill 1349 allows school districts that suffer revenue losses to apply for an Emergency Bridge Loan through the state Department of Education. Local district revenue losses must equal or exceed one-third of the district's revenues in the preceding fiscal year. Loan amounts may not exceed the difference between the preceding fiscal year's revenue for essential operations and the estimated revenue from the same sources for the current fiscal year.

In an effort to increase the state's competitive advantage in gaining federal Race to the Top funds, Senate Bill 2293 establishes the New Start School Program. The bill authorizes the state Board of Education to transform public schools that underperformed for three consecutive years into New Start schools under the Mississippi Recovery School District, created in 2009 legislation to provide management and oversight to low-performing school districts under state control. Students at those schools will automatically transfer into a New Start school. The state Board of Education will evaluate the performance of all employees at an underperforming school before deciding whether to terminate their contracts.

In addition, the legislation allows for the creation of conversion charter schools — public schools converted to charter school status. Only parents or guardians of students attending chronically underperforming public schools may petition the state Board to convert a school, and they must develop an improvement plan as part of the petition. The initial conversion charter contract would last a minimum of three years, with annual or multi-year renewal not to exceed three years. The state Board may approve up to 12 conversion charter schools — with no more than three in each of the state's four congressional districts — during a six-year period beginning July 1, 2013.

Total state funding for postsecondary institutions decreases to \$856.4 million in 2010-2011, down 12.5 percent. The four-year college and university budget declined 11.4 percent to \$632.9 million. The 15.6 percent reduction in state funds to two-year colleges provides slightly less than \$223.5 million. To help offset the funding loss, the Legislature appropriated a little less than \$74.7 million in federal recovery funds for postsecondary institutions.

Under a new articulation policy approved by the state's two higher education systems, elementary education majors enrolled in two-year colleges may transfer 62 credit hours to any of the state's four-year universities. Earlier this year, the Board of Trustees of State Institutions of Higher Learning approved a policy that guarantees 30 transferable credit hours, not including developmental or technical courses, to students who receive an associate of arts degree from a community college.

Other legislation

HB 629 requires students enrolled in GED courses to take end-of-course, subject-area tests. The bill also allows students who are at least one grade level behind other ninth-graders (previously, two grade levels behind) to participate in the GED program.

HB 1047 creates a task force to study teacher attrition, retention and growth in the state and make recommendations to the Legislature in 2011.

SB 2015 prohibits actions that create a hostile environment for students or school employees, such as: gestures; written, electronic or oral communications; or physical acts.

SB 2389 creates an alternative curriculum track for students wishing to pursue a diploma in career/technical education studies, allowing students to graduate with a standard diploma and earn course credits toward community college certification in a career/technical field.

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

The General Assembly, meeting in its “short session,” amended the second year of the 2009-2011 biennial budget, originally adopted in 2009. The total general fund budget of \$18.9 billion for 2010-2011 is 3.1 percent less than was originally approved. The revised amount is a slight decline from the statewide general fund budget in 2009-2010.

The revised budget permits furloughs of no more than two days for public school personnel in 2010-2011. Teacher furloughs may occur only on non-instructional days, and districts may not furlough employees who make less than \$32,000 annually. The revised budget also creates a funding formula with a “sustainable source of funding” for North Carolina Virtual Public School, which provides online courses to students in the state’s public high schools.

General funding in 2010-2011 for the Department of Public Instruction, which includes formula funding for K-12 education, declined 5 percent from the preceding year to under \$7.1 billion, 3.7 percent less than originally budgeted for 2010-2011. A significant portion of the funding decline is due to lottery funds of \$121.2 million replacing general funds. Adjustments to teacher salary funding, which reflect actual (rather than projected) salaries, resulted in a nearly \$45 million decline. Additionally, general funds totaling \$30.6 million for the More at Four prekindergarten program were replaced with funds from the federal Temporary Assistance for Needy Families (TANF) program; those funds will provide prekindergarten services to TANF-eligible children.

Other downward adjustments made to K-12 funding in 2010-2011 include \$3.3 million from instructional supplies funding (down 3.5 percent from the original budget), \$2.4 million from funding for school district central office salaries and benefits (down 2.2 percent), a \$10 million reduction in transportation funding (down 2.4 percent), the elimination of \$11.9 million allocated for the purchase of new school buses, and the elimination of \$9.2 million allocated for school district mentoring programs.

At \$2.7 billion, general funds for University of North Carolina System institutions in 2010-2011 increase slightly above the originally budgeted amount; however, this is 1.5 percent less than the 2009-2010 appropriation. The general fund appropriation for community colleges in 2010-2011 increased 4.2 percent above the originally budgeted amount to \$1.1 billion, 5.5 percent more than was provided in 2009-2010. With the passage of Senate Bill 1154, the General Assembly approved \$544.4 million in capital project spending at University of North Carolina System institutions. Tuition increases for in-state undergraduates in the 2010-2011 academic year are 13 percent at community colleges and range from 9.9 percent to 33.7 percent at universities.

The first piece of legislation enacted in this year's session was Senate Bill 704, designed to strengthen North Carolina's application for federal Race to the Top funds. It permits a local board of education, with the state Board of Education's approval, to reform any school identified as a continually low-performing school. Options available for reforming schools under the legislation include: implementing strategies targeted to areas such as teacher and school leader effectiveness and instructional reform; a "re-start" model that would allow either the school board or an approved education management organization to operate the school in the same manner as a charter school; a "turnaround" model that would entail replacing the principal (if the principal has held the position for more than three years) and at least half of the school's staff; and closure of the school, with the students transferred to higher-achieving schools within the district.

In 2003, the General Assembly established the Cooperative Innovative High School Programs, which encourage school districts, in partnership with local colleges and universities, to create high school programs that offer accelerated learning opportunities or that target high school students who are at risk of dropping out before graduation. Under this program, innovative high schools already had the option of seeking exemptions from laws and rules pertaining to schools. With the passage of Senate Bill 1201, these schools now receive the same exemptions from statutes and rules that charter schools receive, with the exception of statutes and rules regarding school personnel.

Local school districts were required to identify students who are at risk for academic failure and to develop for each such student personal education plans for academic improvement. Senate Bill 1248 refines the identification of students at risk for academic failure to include students who are not successfully progressing toward grade promotion and graduation. The legislation also requires school districts to identify at-risk students no later than grade four; previously, the statutes required only that schools make the identification "as early as can reasonably be done."

Senate Bill 1246 directs the state Board of Education to develop annual goals for continuous and substantial improvement in four-year graduation rates by school districts, beginning with the high school graduating class of 2011. The Board also will establish long-term statewide graduation rate goals of at least 74 percent by 2014, 80 percent by 2016, 90 percent by 2018, and a long-term goal (with corresponding benchmarks and recommendations) of a 100 percent statewide graduation rate. Additionally, the legislation makes it easier for military parents to enroll their children in North Carolina public schools.

Teachers in North Carolina whose positions are eliminated due to funding reductions and who were employed for a year or more in that position still are provided non-contributory coverage under the state's health benefits plan for teachers. Due to the looming possibility of funding-related job cuts in schools, the General Assembly passed Senate Bill 1251, which extends the provision of non-contributory health benefits to teachers who complete 10- or 11-month contracts for employment and whose positions are subsequently eliminated for funding reasons.

Previously, state statutes required schools to be in session for a minimum of 180 days and 1,000 hours of instructional time per year. If schools closed for regularly scheduled school days due to inclement weather, those days would have to be made up later in the year to meet the 180-day mandate. With the passage of House Bill 636, a school that closes for one or more full days due to

inclement weather may satisfy the instructional time requirements by being in session for 1,000 hours of instructional time, even if those hours occur in less than 180 calendar days.

Among the issues raised in recent years regarding the education of students with disabilities is the administration of corporal punishment to those students, which North Carolina law permits. In response to those concerns, the General Assembly approved House Bill 1682, requiring schools to allow the parents of a student with disabilities to prohibit the school from administering corporal punishment to their child by submitting a school-provided form at the beginning of the school year. The bill further requires each local board of education to report annually to the state Board of Education the number of times that corporal punishment was administered.

In a bid to protect the religious liberties of students at all education levels, House Bill 357 requires public school principals, the State Board of Community Colleges, and the Board of Governors of the University of North Carolina System to adopt policies that authorize a minimum of two excused absences each academic year for students' religious observances. The policies may require written notice of excused absences and must give students the opportunity to make up any tests or other work missed due to an excused absence for a religious observance.

Other legislation

HB 213 requires the State Personnel Commission (for state agency employees) and the state Board of Education (for public school employees) to each adopt rules and policies so that employees can donate sick leave to other, non-related employees. A donor may not donate more than five days of leave per year to any particular employee and may not donate a total of more than 20 days of leave per year.

HB 901 requires the state Board of Education to develop honors-level courses in healthful living education at the high school level.

HB 1292 permits state universities to carry forward, from one fiscal year to the next, any savings realized from energy conservation measures; 60 percent of those savings must be used for other energy conservation measures at the institution, while the remainder may be used for related capital and operating expenditures.

HB 1377 allows a tenured teacher who is recommended for dismissal to resign without a written agreement from his or her school system superintendent. A teacher who resigns under this provision is considered to have voluntarily surrendered the teaching certificate for up to 45 days while the state Board of Education determines whether to suspend or revoke that certificate.

HB 1669 requires school improvement plans to use the Education Value Added Assessment System produced by the SAS Institute Inc. (a software company headquartered in Cary, North Carolina), or a compatible system approved by the state Board of Education.

HB 1864 eliminates the provision that permitted the state Board of Education to require high school graduation projects beginning with the 2011-2012 school year. Local boards of education, however, may require high school graduation projects.

SB 66 requires the state Board of Education to develop a comprehensive arts education development plan for public schools by December 1, 2010.

SB 860 establishes a Student Protection Fund to reimburse students who prepay tuition at proprietary schools that subsequently go out of business before complete instruction is provided. Each proprietary school is required to pay an initial \$1,250 fee per school into the fund, as well as to make annual payments based on the school's annual gross tuition revenue.

SB 1119 requires all persons who, as of October 1, 2010, are working as teaching staff in licensed day care centers, as licensed family child-care home providers, or as child-care administrators to have their educational qualifications certified by the North Carolina Institute for Child Development Professionals by July 1, 2012.

SB 1198 requires the Education Cabinet to prioritize increasing the number of students earning postsecondary degrees in science, technology, engineering and mathematics, and to reduce the gap between needed workers and available jobs in those fields by 2015. The Cabinet is to realize this goal by: encouraging collaboration between high schools and institutions of higher education, determining how to assess the number of jobs available and the number of students earning degrees in these fields, identifying public funding available for this purpose, and pursuing private funding that could support this priority.

SB 1199 establishes the Agriscience and Biotechnology Regional School Planning Commission, which will be responsible for developing a replicable, sustainable and scalable plan for a regional school of agriscience and biotechnology by the end of 2010.

Oklahoma (<http://www.lsb.state.ok.us/>)

Like most states, Oklahoma faced decreasing revenues during the 2009-2010 budget year. Consequently, the governor and legislators agreed to transfer \$223.7 million from the rainy day fund into the state general fund. In addition, the governor directed state agencies to decrease their state funded budgets by 5 percent in December 2009 and by 10 percent from January 2010 through the remainder of the budget year. This equates to a 7.5 percent cut to state agencies for 2009-2010. To minimize their budget reductions, K-12 and higher education agencies received supplemental state funds of \$54.4 million and \$25.6 million, respectively.

The amended 2009-2010 budget was 4.1 percent lower than the original budget at \$6.9 billion, including \$6.1 billion in state funds (down 7.5 percent) and \$196.8 million in federal recovery funds (for a total of \$837.9 million in federal recovery funds for 2009-2010). The K-12 education budget declined 6.8 percent to a little more than \$2.2 billion, while the postsecondary education budget fell 3.3 percent to \$968.9 million. The Legislature provided additional federal recovery funds for elementary and secondary education totaling \$37.2 million.

The overall 2010-2011 budget totals \$6.7 billion (down 7.7 percent). State funds remain level compared with the amended-year budget but are 6.9 percent lower than the original 2009-2010 budget. The budget provides \$539.1 million in federal recovery funds and \$372.9 million from the rainy day fund.

For 2010-2011, state funding for education declines to under \$3.4 billion (down 6.8 percent). For both K-12 and postsecondary budgets, state funds are level compared with the amended-year total.

However, compared with 2009-2010 original appropriations, K-12 education receives 7 percent less in state funds (\$2.2 billion). The budget for colleges and universities declines 5.8 percent (\$943.7 million) from the original 2009-2010 budget. The Oklahoma State Regents for Higher Education approved tuition and mandatory fee increases averaging 5.1 percent for in-state undergraduate students for the 2010-2011 school year (an increase of about \$184 for a full-time student). The merit-based Oklahoma Higher Learning Access Program scholarship will receive \$57 million in dedicated funding. The budget provides \$200.4 million in federal recovery funds to education — \$139.5 million for K-12 and \$59.8 million for postsecondary education.

Prior to submitting its application for the second round of Race to the Top funding, the Legislature passed several bills to improve the state's chances of receiving an award. Senate Bill 2033 permits local school districts to implement new types of incentive pay plans, approved by the state Board of Education, that reward teachers and school leaders for student and school performance growth as measured by a locally adopted evaluation system. Local school boards must adopt by the 2013-2014 school year an evaluation policy based on the statewide Oklahoma Teacher and Leader Effectiveness Evaluation System (TLE). Teachers achieving either a "superior" or "highly effective" TLE rating, as well as grade-level, subject-area or school-level performance success, will receive an incentive award.

Beginning in 2012, a teacher who does not meet the qualifications of a "career teacher" is considered a "probationary teacher." Teachers and principals who receive a TLE rating of "ineffective" for two consecutive years will not have their contracts renewed. School systems are required to dismiss career teachers who receive "needs improvement" or lower ratings for three consecutive years, or who average a rating below "effective" for a five-year period. Finally, school systems must dismiss probationary teachers who have not attained career teacher status within four years.

The bill also creates a system for identifying persistently low-performing schools in the state, allowing a school district to implement one of four specific intervention models. The state Board of Education must revise and align the English, language arts and mathematics curriculum with the K-12 Common Core State Standards as developed by the National Governors Association Center for Best Practices and the Council of Chief State School Officers. The bill also creates a 19-member Oklahoma Race to the Top Commission to monitor and report on possible Race to the Top funding and programs, as well as to oversee the development and implementation of the TLE system.

The Empowered Schools and School Districts Act, Senate Bill 2330, relaxes state education mandates for a school, a group of schools (or zone), or a school district that implements an empowerment plan based on education innovations. Innovation areas may include curriculum and academic standards, accountability measures and teacher recruitment, employment or training. The local school board and the state Board of Education both must approve the plan prior to implementation. The local board must review the plan every three years to determine whether academic performance measures highlighted in the plan are achieved.

House Bill 2302 revamps the Academic Achievement Award program to provide awards from \$250 to \$2,000 to specific certified employees at certain high-achieving schools, based on a three-year performance average. Previously, the program allowed the top four schools with high achievement in specific categories to receive an award of up to \$3,000. Senate Bill 509 allows local school systems with more

than 30,000 students to replace all or most of the staff at a school identified as needing improvement for four consecutive school years. These systems may rehire any teacher, not retained at the school, as a full-time substitute teacher for no more than two years.

House Bill 2753 and Senate Bill 1862 expand the types of schools eligible for charter school sponsorship to include schools on the state's school improvement list. House Bill 2753 authorizes the state Board of Education to sponsor the Office of Juvenile Affairs in creating a charter school, and Senate Bill 1862 allows charter school sponsorship by federally recognized Indian tribes for the purpose of native language immersion instruction. Both bills remove the cap on the number of new charter schools established annually.

Other legislation

HB 2296 allows local school districts to hire principals and superintendents accredited by another state's education authority, rather than only those accredited by the Oklahoma State Department of Education.

HB 2299 extends the maximum length of temporary teacher contracts from three semesters to four semesters. The bill prohibits local school systems from rehiring temporary teachers for an additional school year immediately after their initial year of temporary hire.

HB 2321 allows local school districts to offer elective courses on the Bible in grades nine through 12.

HB 2747 requires elementary, early childhood and special education teachers certified prior to July 1, 2010, to complete the appropriate state-approved, subject-area exam successfully by July 1, 2012.

HB 2854 prohibits a local district from employing a substitute teacher for longer than 90 days in a school year.

HB 3029 provides various exemptions, moratoriums and delays to give local school systems additional budget flexibility due to revenue shortfalls.

HB 3259 amends alternative teacher certification by requiring two years, instead of three years, of work experience related to the subject area of specialization.

HB 3393 establishes the Lindsey Nicole Henry Scholarship for Students with Disabilities to provide scholarships to eligible private schools for students with disabilities who have an individualized education program.

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

With revenues still declining, the Legislature approved a \$5.1 billion general fund budget for 2010-2011, 10.5 percent lower than the originally approved 2009-2010 budget. Despite two midyear budget cuts to the general fund budgets of most agencies (4 percent and 5 percent) in 2009-2010, the approved general fund budget for 2010-2011 is still 3 percent lower than the amended prior-year budget.

Recovery funds totaling nearly \$346.1 million are available in 2010-2011. This includes \$174.3 million for school districts, \$84.4 million for universities, and \$23.7 million for technical colleges. The Legislature approved a major revenue measure increasing the cigarette tax from 7 cents per pack to 50 cents per pack. The increased tax is expected to raise more than \$100 million per year, and revenues will support Medicaid expenses, tobacco-related cancer research and a statewide smoking prevention and cessation program.

When the regular session began, the governor placed a priority on reforming the independent South Carolina Employment Security Commission (responsible for managing unemployment benefits) and incorporating it into the executive branch. The Legislature responded, replacing the commission with an executive-level Department of Employment and Workforce. The new department is expected to address a deficit of nearly \$800 million in the trust fund used to pay unemployment benefits and to provide stricter oversight of those benefits.

General funds for K-12 education in 2010-2011 are \$1.8 billion, down 13.4 percent from the original 2009-2010 appropriation. Proviso language in the budget permits school districts to enact furloughs and suspends the requirement that high schools provide driver education courses. State universities receive \$317.6 million, down 27.9 percent, while technical colleges receive \$105.3 million, down 21.5 percent.

General funds for the Commission on Higher Education total \$118.9 million, up 10.2 percent from the original 2009-2010 appropriation. However, this increase is due to increased general funds for the merit-based LIFE Scholarship program (\$76.9 million, up 8.3 percent), as well as the provision of general funds for the merit-based Palmetto Fellows Scholarship and HOPE scholarship programs (\$7.1 million and \$431,727, respectively; these programs did not receive general funds in 2009-2010).

Due to school districts facing uncertainties in their finances for the upcoming school year, the Legislature approved House Bill 4299. The bill allowed local school districts to delay by one month, to May 15, the date by which they must notify teachers of whether their contract was renewed for the 2010-2011 school year.

House Bill 4823 implements several cost-saving measures. It waives the requirement that the state Department of Education provide printed copies of 2010 report cards for schools and districts, instead requiring schools and districts to provide the information via the Internet. (Parents are still entitled to receive free printed copies of the report cards from schools and districts on request.) The bill also suspends writing assessments for grades three, four, six and seven in the 2010-2011 school year. The savings realized by these measures will support the school funding formula. Additionally, the bill provides a one-year grace period from payments for individuals who received a South Carolina Teacher Loan and completed their education degree in 2009 or 2010 but who are not employed in a South Carolina public school by September 1, 2010.

To provide potential savings to school districts, the Legislature approved House Bill 4838, permitting local school districts (on a vote of their boards of trustees) to not give teachers a scheduled years-of-service salary increase in 2010-2011 — and instead, pay them the same salaries they earned in 2009-2010. This must apply uniformly to all teachers within the district and does not have a negative impact on a teacher's experience credit. A district that votes not to provide longevity increases to all teachers in

2010-2011 also must pay district administrators and school administrators the same salaries they earned in 2009-2010.

The Legislature continues salary supplements for teachers who obtain National Board Certification through the passage of Senate Bill 1363. Teachers earning certification before July 1, 2010, may receive the supplement (set in the budget at \$7,500 per year) for the initial 10-year period of the certification and for an additional 10 years after recertification. Teachers earning their certification on or after that date are only eligible to receive the supplement (set in the budget at \$5,000 per year) for the initial 10-year certification period.

Other legislation

HB 4248 requires school districts to perform a criminal background check on all new employees and to perform a National Sex Offender Registry check on all employees and volunteers. Furthermore, districts are required to establish policies that prohibit the hiring of registered sex offenders and individuals convicted of committing violent crimes.

SB 134 establishes the Religious Viewpoints Antidiscrimination Act, which prohibits a school from discriminating against a student based on his or her religious viewpoint and expressly allows students to form religious school groups or gatherings at schools to the same extent that students are permitted to form nonreligious groups or gatherings at schools.

SB 319 establishes South Carolina as a member of the Interstate Compact on Educational Opportunity for Military Children.

SB 1134 establishes the Education Bill of Rights for Children in Foster Care, requiring school districts to take specific measures to ensure that the educational needs of children in foster care are met.

Tennessee (<http://legislature.state.tn.us/>)

Unlike most states, Tennessee did not make any midyear reductions to the 2009-2010 budget. The Legislature compromised on the 2010-2011 budget in early June after weeks of negotiations and passed a total budget of \$28.4 billion, down 3.1 percent. This amount includes a little more than \$12.4 billion in state funds (a reduction of 1.2 percent) and about \$185 million in reserves. Contingent upon revenue growth, the budget includes a longevity bonus for all state and higher education employees, ranging from \$150 to \$1,250.

In the 2010-2011 budget, total funds to K-12 education are up 3.3 percent to \$5.3 billion, including \$163.1 million in federal recovery funds. However, the state approved 5.7 percent less in state funds (\$3.7 billion) for K-12 education compared with last year's appropriation and slightly decreased the Basic Education Program formula to \$3.4 billion, down 1 percent.

Higher education's state-funded budget declines slightly to \$1.6 billion for the current budget year, down 1.3 percent. Postsecondary education did not receive any federal recovery funds this year, although total funds increase to \$3.7 billion, up 3.5 percent.

The Tennessee Board of Regents, which governs 45 of the state's postsecondary institutions that are not in the University of Tennessee system (UT), voted in favor of tuition increases for the second year in a row. Tuition for the 2010-2011 school year will increase from 5 percent to 6.3 percent per semester for state university and community college in-state undergraduate students enrolled in 12 credit hours. For the same students taking 15 credit hours, tuition will rise from 7.6 percent to 8.9 percent each semester. For those enrolled in 18 credit hours, the increase is from 9.3 percent to 11.4 percent. Students enrolled in courses at technology centers will see a 15.3 percent tuition increase per trimester.

For the 2010-2011 school year, tuition will increase for in-state undergraduate and graduate students enrolled in the UT system. Students enrolled at the UT campuses in Knoxville, Chattanooga and Martin will pay 9 percent more in tuition, while students enrolled at the UT Health Science Center will see an increase of 10 percent and those in the UT Veterinary Medicine program will see an increase of 5 percent. The system also will eliminate about 600 positions to make up for decreased state funding.

Tennessee was one of two SREB states (the other was Delaware) that received an award during the first phase of the federal Race to the Top program. The state will receive about \$500 million in federal funding to implement its comprehensive education plan over the next four years. The Tennessee Education Innovation Plan includes two education reform measures, passed during a two-week special legislative session.

The Tennessee First to the Top Act of 2010 (House Bill 7010) amends alternative governance options for schools or local school systems that have not met state performance standards for three or more consecutive years. The state commissioner of education may assign these underperforming schools or systems to an Achievement School District — a new unit of the state Department of Education to provide operational oversight. The commissioner may hire a management entity to determine whether a teacher previously assigned to a school may continue at the school as an employee. A teacher not continuing at the school will remain an employee of the local school system. A school or school system may transition back to the control of a local board of education after five consecutive years of meeting benchmarks.

The bill also establishes an independent, 16-member teacher evaluation advisory committee to write evaluation guidelines that rely heavily on student achievement data and factor into employment decisions. Student achievement data will make up 50 percent of the evaluation criteria, with 35 percent based on student growth data (or a measure agreed upon by the evaluator and the evaluatee) and 15 percent on other measures of student achievement developed by the committee. If a teacher's or principal's student growth data reach a level set by the state Board, then the growth data may make up 50 percent of the evaluation. These evaluation guidelines will not apply to teachers under contract for less than 120 days in a school year.

All tenured teachers may demand an impartial hearing on suspension or dismissal charges, as well as appeal the hearing decision. Currently, local boards of education conduct hearings to suspend or dismiss veteran teachers, except in metro Nashville and Memphis, where impartial third-party officials conduct these hearings.

The goal of the second bill in the Tennessee Education Innovation Plan, House Bill 7008 (known as the Complete College Tennessee Act), is to increase the number of Tennesseans with college degrees while encouraging more collaboration between community colleges and state colleges and universities. The legislation requires the Tennessee Higher Education Commission to draft an outcomes-based statewide master plan that focuses on increasing college graduation rates.

The legislation ties each postsecondary institution's state-funded budget to the institution's achievement of specific outcome indicators, including end-of-term enrollment, student retention, timely progress toward degree completion, and degree production. The formula also will consider the impact of tuition, fees and other charges assessed by institutions. Currently, the formula is based on enrollment projections at each institution.

By July 2012, the Tennessee Board of Regents must establish a comprehensive statewide, unified community college system of coordinated programs and services. Currently, the state's 13 community colleges operate independently of a coordinated system. The Tennessee Higher Education Commission will develop and the Regents will implement a common community college course-numbering system and a course listing that clearly identifies transferable and non-transferable courses by fall 2011. Also, by the fall 2011 semester, 60 hours of course work (41 hours of general education course work common to all Tennessee state colleges and universities, plus 19 hours of pre-major course work) will transfer as a block from two-year to four-year colleges.

In addition, students accepted into both a two-year and a four-year college may enroll simultaneously in both. After July 1, 2012, four-year institutions will no longer provide remedial or developmental instruction to any student, unless the institution coordinates its efforts with a two-year college to teach the student, who then must enroll at both institutions. Lastly, the legislation expands economic development and research opportunities in science, technology, public health, energy and engineering.

House Bill 3545 and Senate Bill 3427 require each local board of education to develop a policy by which students' Tennessee Comprehensive Assessment Program (TCAP) test scores for grades three through eight will comprise 15 percent to 25 percent of each student's final grade for the spring semester in mathematics, reading, language arts, science and social studies. The policy must utilize performance levels determined by the state Board of Education and take effect in the spring semester of 2011.

The bill also establishes a new testing window of two consecutive school weeks for the administration of TCAP achievement tests. Testing must begin no earlier than the first Monday on or after April 22 and not prior to the completion of 150 days of instruction. The state commissioner of education may adjust the testing schedule for reasons including, but not limited to, natural disasters, prolonged inclement weather or a serious outbreak of contagious illness.

For more precise dropout rate calculations, House Bill 3148 and Senate Bill 3124 allow a local school system to use reasonably obtainable information to determine whether a student who left the school system enrolled elsewhere or moved out of the state and enrolled in a different system.

Furthermore, the state will count a student who obtains a GED diploma or certificate as a graduate of the high school he or she attended or was eligible to attend, except where inclusion of such data is prohibited by federal law.

Other legislation

HB 2947 and SB 3304 allow a school to establish an International Baccalaureate program or Advanced Placement fund to receive donations or grants from individuals or corporations in support of either program.

HB 3100 and SB 3031 allow school systems to extend the school day by one-half hour daily for the full school year (totaling up to 13 additional instructional days each year) to meet instructional time requirements missed due to dangerous or extreme weather conditions, serious outbreaks of illness, natural disasters and other dangerous conditions. Upon the approval of the state commissioner of education, school systems may use excess instructional time for professional development, parent-teacher conferences and other meetings.

HB 3105 and SB 2480 prohibit schools and local boards of education from separating multiple-birth siblings into different classrooms solely due to these children being multiple-birth siblings.

HB 3193 and SB 3125 require local school systems, through gradual implementation, to expend funds generated under the K-12 funding formula to provide health insurance to support staff.

HB 3733 and SB 3713 extend the pilot program by two years (to January 1, 2012) for class-size increases in career/technical education classes in Nashville and Davidson County.

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

The Texas Legislature meets every other year to approve a biennial budget and did not have a regularly scheduled legislative session in 2010. In the 2009 regular session, the Legislature approved an \$87.1 billion general fund budget for the 2010-2011 biennium, 1.8 percent less than the prior biennium. However, this amount included nearly \$6.4 billion in reductions that were covered with federal recovery funds. More than \$12 billion in recovery funds are available to Texas during the 2010-2011 biennium.

As originally approved, the budget allocated \$35.5 billion in general funds for K-12 education over the biennium, a 1.1 percent reduction. However, the previous biennium total included an extra month of school formula funds totaling nearly \$1.5 billion; without that amount, the original 2010-2011 total was actually 3.2 percent greater than the preceding biennium. The budget allocates to local schools an additional \$3.2 billion in federal recovery funds and \$361.6 million in federal recovery funds for textbooks.

The original general fund appropriation for K-12 education included \$208.6 million for grants to expand prekindergarten programs and \$395.6 million for teacher incentive programs. Teacher incentive funding now supports only the Districts Awards for Teacher Excellence program, which provides grants to participating school districts for incentive awards to teachers who improve student achievement.

The budget eliminates funding for the Texas Educator Excellence Grants program, which provided teacher incentive award grants to individual schools based on certain performance factors. The original budget for higher education provided \$16 billion for higher education over the biennium, up 9.2 percent. Federal recovery funds for higher education include \$147 million in direct funding to state col-

leges and universities and \$80 million for the Higher Education Performance Incentive Initiative, which provides incentive awards to public four-year institutions for improvements in teaching and student performance.

In January of this year, the governor, lieutenant governor and speaker of the House issued a joint memo to all state agencies and institutions of higher education asking them to develop plans for a 5 percent reduction to their current general fund budgets. In May, general fund reductions totaling nearly \$1.3 billion over the biennium were announced. These reductions include \$136.9 million in cuts to K-12 education funding (a less than 1 percent reduction) and \$518.4 million in cuts to higher education funding (down 3.2 percent).

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

The governor signed the amended 2009-2010 budget (the second year of the 2008-2010 biennium), which reduced the overall state general fund budget 6.7 percent, to \$14.8 billion, when compared with the original 2009-2010 appropriation. The amended-year budget provided \$6.5 billion in state general funds for education, down 8.5 percent, and an additional \$219 million in federal recovery funds, bringing the total federal recovery funds for education in the 2009-2010 budget year to \$584.2 million. State employees took a mandatory furlough day on May 28, 2010. The furlough day did not apply to teachers and saved the state \$17.4 million in 2009-2010.

The amended 2009-2010 state-funded budget for K-12 education was reduced to slightly more than \$4.8 billion (down 10.3 percent), including a little less than \$4.8 billion in state education assistance to districts, which includes school formula and other program funding (down 10.4 percent). Routine “re-benchmarking updates” (which reflect up-to-date inflation costs and local school district statistical data changes) were removed from the amended-year budget’s expenses, saving \$61.3 million in state general funds. The amended budget for higher education institutions fell to \$1.3 billion, down 12.8 percent.

The Legislature also adopted a budget for the 2010-2012 biennium. With a \$4 billion budget shortfall to consider, the 2010-2011 budget decreases spending in education, health care and public safety. State general funds for next year total \$15.4 billion (down 2.9 percent). For the second consecutive fiscal year, funding for education budgets decrease, totaling \$6.5 billion in 2010-2011, a decline of 9.3 percent from the original 2009-2010 appropriation.

For 2010-2011, operating funds for colleges and universities total \$1.3 billion, nearly 1.3 percent below the amended 2009-2010 budget. After a 15 percent decrease to \$3.4 million in the amended-year budget, state funding for the Eminent Scholars Program is reduced to \$1.7 million, down 57.5 percent, in the 2010-2011 budget. For the 2010-2011 school year, tuition and mandatory fees at colleges and universities will increase an average of 10.6 percent — students at four-year institutions will pay an average of 10.5 percent more while those at two-year colleges will see increases averaging 11.8 percent. State funds to the Virginia Tuition Assistance Grant program — which provides aid to Virginia students who attend private colleges and universities — are decreased \$5 million in 2010-2011 (about a \$400 decrease in aid per student), providing awards of \$2,600 for undergraduates and \$1,100 for graduate students.

Elementary and secondary education funding in 2010-2011 is down 10.9 percent to \$4.8 billion when compared with the original 2009-2010 budget, bringing funding to roughly the same level as in the amended-year budget. State education assistance to districts is reduced further to \$4.7 billion, down 10.9 percent from the original 2009-2010 budget. Federal recovery funds total \$126.4 million for 2010-2011.

Language in the 2010-2011 budget allows local school districts to increase class sizes by one additional student in kindergarten through grade seven and in English classes for grades six through 12. In addition, local districts have the authority to carry over any remaining state fund balances from the 2009-2010 budget to minimize 2010-2011 budget shortfalls.

“Re-benchmarking updates” are not taking effect in the 2010-2011 budget year, saving the state \$4.7 million. The state also eliminated appropriations for school construction. State funds for National Board Certification increase to \$5 million, up 11.2 percent, providing initial awards of \$5,000 to 234 teachers and \$2,500 awards (for the remaining nine years of certification awards) to 1,463 teachers.

The state will realize \$164.8 million in savings to general funds by supporting some state Department of Education programs with lottery funds in 2010-2011. These programs include English as a Second Language (\$37.1 million, up 6.1 percent) and remedial summer school (\$25.1 million, down 0.8 percent), as well as a portion of funds for the state’s share of textbook costs.

Textbook appropriations are split between state funds (\$10.7 million) and lottery funds (\$24.9 million) for a total of \$35.6 million, a 50.9 percent decline. However, local districts are required to match the state’s share of textbook funding in 2010-2011, a provision that was suspended in 2009-2010. With the passage of House Bill 709, local school boards may purchase printed textbooks, printed textbooks with electronic files or electronic textbooks for use in grades six through 12.

Previously, the state Board of Education did not have a role in charter school application approvals. Senate Bill 737 requires a charter school applicant to submit its application to the state Board for review prior to submitting it to a local board for approval. Also, the bill allows a charter school applicant to petition for reconsideration of a local board’s decision to deny, revoke or not renew its application.

Other legislation

HB 557 allows local school boards to receive a state Board of Education waiver from the requirement of beginning the school year after Labor Day. To receive the waiver, the local school board must meet “good cause” requirements.

HB 1388 and SB 738 authorize the state Board of Education to adopt policies, by January 31, 2011, allowing accredited “multidivision online providers” to operate and provide online courses and virtual school programs in the state. A multidivision online provider is a private or nonprofit organization, or a local school board, that provides online courses or programs to Virginia students.

HB 1389 and SB 736 authorize the creation of College Partnership Laboratory Schools by any public postsecondary institution that operates an approved teacher education program. Laboratory schools operate as public schools, taught by teachers who work as employees of the postsecondary institution.

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

The Legislature approved a 2010-2011 general fund budget that, after the governor's line-item vetoes, totals \$3.7 billion, 1.6 percent less than the originally approved 2009-2010 budget. General fund appropriations for executive branch agencies were reduced 3.4 percent during the 2009-2010 fiscal year, and similar reductions were made in the legislative and judicial branches.

The general fund budget for K-12 education in 2010-2011 is 1.5 percent less than the original 2009-2010 appropriation at \$1.8 billion; of that amount, nearly \$1.7 billion is formula funding for schools (down 2 percent). The 2010-2011 budget includes \$89 million in recovery funding for K-12 education and \$28 million of recovery funds for higher education.

General funds for higher education total \$401.4 million, down 1.5 percent. Of that amount, \$276.6 million is for operations at four-year colleges and universities (down 3.1 percent), while \$62.4 million is for community and technical college operations (down 4.9 percent). General funds for the Higher Education Policy Commission total \$64.5 million, up 10.6 percent; much of this increase is due to increases for the higher education grant program (\$34.2 million, up 9.8 percent) and the general fund portion of merit-based PROMISE scholarship funding (\$19 million, up 18.7 percent).

In one of the first pieces of legislation approved during the 2010 regular legislative session, the governor requested passage of House Bill 4040 to help ensure that students attend at least 180 school days per year, which state law requires. Districts have not uniformly met the requirement in previous years. The bill provides flexibility for county school boards to determine the beginning and ending dates of a school year, and it requires the boards to develop contingency plans for emergency conditions to ensure that students meet the 180-day requirement.

Another high-priority education issue was raising the state's dropout age. House Bill 4593 raises that age from 16 to 17 years while also reducing the number of unexcused student absences permitted from 10 days to five days. The bill increases the school funding formula allocation for alternative education from \$12 to \$18 per student. The legislation also establishes the High School Graduation Improvement Act to increase the diversity of instructional delivery strategies, implement a statewide dropout intervention and prevention program (including a credit recovery program), improve career/technical education, and establish up to five additional juvenile drug courts by 2012.

In 2009, the Legislature approved the creation of "school innovation zones" that exempt schools from certain policies and rules to help raise student achievement. House Bill 4669 grants specific exemptions to schools whose innovation zone plans were approved by the state Board of Education.

Under previous law, each school in the state had a school curriculum team consisting of the school's principal, counselor and at least three teachers. These teams established the programs and methods to implement a curriculum based on state-approved goals and objectives and on the needs of each school. House Bill 4436, passed in the 2010 session, allows curriculum teams at schools meeting adequate yearly progress requirements to select non-required instructional programs and assessment tools from a state-provided list and to apply for a waiver to use non-required assessments in place of other certain assessment tests. The legislation also allows curriculum teams to apply for a waiver from county board of education policies that are not mandated by the state.

On July 21, West Virginia completed its second special session, which focused on education reform, supplemental appropriations and voting regulations. Three education-related bills were approved during the special session: Senate Bill 2006, which allows schools and their teachers to replace certain mandated school committees with collaborative teams; Senate Bill 2009, which establishes a special community-development school pilot program to serve disadvantaged, minority and underachieving students; and Senate Bill 2010, which establishes uniform standards for alternative learning centers and creates up to five pilot projects for disruptive elementary and middle grades students to learn appropriate behaviors so they can return to regular instruction.

Other legislation

HB 4026 establishes new provisions governing the financing, construction, purchase and leasing of facilities at state institutions of higher education, and it requires the Higher Education Policy Commission to establish standards for evaluating institutional requests for tuition and fee increases.

HB 4145 requires state colleges and universities to implement degree programs designed for military veterans and to provide services and facilities for the unique needs of veterans.

HB 4512 requires any supervisor of transportation for a county school system hired after July 1, 2010, to have at least five years of experience working in a county board of education's transportation department.

SB 553 extends the amount of time that certain participants who transferred from the Teachers Defined Contribution System to the Teachers' Retirement System may purchase the full amount of credit they held in the defined contribution system.

SB 631 allows schools to use textbook funding to purchase electronic instructional materials.

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