# SREB

Southern Regional Education Board SREB.org

#### Legislative Report | May 2025

Governors' legislative and budget proposals in Alabama, Arkansas, Delaware, Florida, Georgia, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia



## Legislative Report

### Governors' legislative and budget proposals

This report presents a summary of the education budgets recommended by the governors of the Southern Regional Educational Board member states. It includes annual budget proposals from 15 SREB states, focusing primarily on general fund allocations. The report aims to provide a comprehensive overview of the proposed education funding and highlight the legislative priorities of the governors for the upcoming fiscal year.

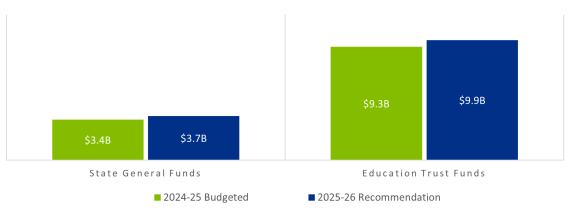
### Alabama (http://www.legislature.state.al.us/)

In her State of the State address, Gov. Kay Ivey outlined major policy priorities for the upcoming legislative session while celebrating key accomplishments from the past year. She highlighted the passage of the CHOOSE Act for school choice, the Alabama Literacy Act's role in boosting reading and math scores, and Dolly Parton's Imagination Library for promoting early childhood literacy. The education priorities of the governor for this session include supporting two important legislative efforts — one to ban cell phones in schools and another to establish responsible parental leave for teachers and state employees.

Other priorities of the governor include strengthening the state's economy and workforce, including promoting a pro-business climate, investing in infrastructure and broadband expansion, creating the Alabama Department of Workforce to replace the Department of Labor, with the goal of increasing labor force participation, supporting veterans, and fostering safe communities across the state.

The State General Fund, which supports state government functions other than education, would increase 8.9% to nearly \$3.7 billion. The Education Trust Fund, which supports education as well as some non-education state functions, would rise 6% to \$9.9 billion

#### **State Funds**



State funding for K-12 education would total nearly \$6.7 billion (up 6%) and higher education would total \$2.6 billion (up 6.4%).

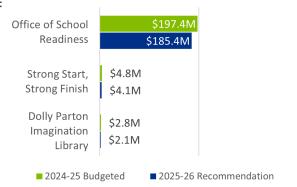
2025-26 Recommendation \$9.9B		2024-25 Budgeted \$9.3B	
			Higher Ed
	Higher Ed \$2.6B		Higher Ed \$2.4B
K-12	Other	K-12	Other
\$6.7B	\$0.6B	\$6.4B	\$0.6B

#### **Education Trust Funds**

#### Alabama Early Childhood Education

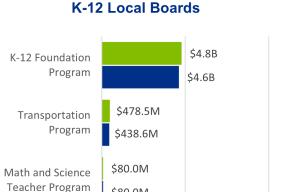
- \$213.1 million for the Alabama Department of Early Childhood Education (up 6.1%) including:
  - \$197.4 million for the office of school readiness, up 6.5%
  - \$4.8 million for Strong Start, Strong Finish, up 15.3%
  - \$2.8 million for Dolly Parton Imagination Library, up 32.1%

#### **Early Childhood Education**



#### Alabama K-12 Local Boards

- \$5.5 billion, up 3.4%, for K-12 local boards which includes:
  - \$4.8 billion for K-12 Foundation Program, up 3.4%
  - \$478.5 million for school transportation, up 9.1%
  - \$80 million for math and science teacher program, level funded



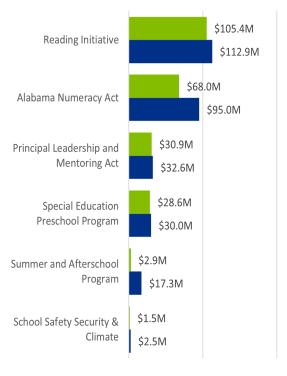
2024-25 Budgeted 2025-26 Recommendation

#### **Alabama Department of Education**

- \$769.8 million, up 11.1% for the state department of education including:
  - \$112.9 million for reading initiative, up 7%
  - \$95 million for Alabama Numeracy Act, up 39.7%
  - \$32.6 million for Principal Leadership and Mentoring Act, up 5.7%
  - \$30 million for special education preschool program, up 4.8%
  - \$17.3 million for the summer and afterschool program, up 504.4%
  - \$2.5 million for school safety security and climate, up 66.7%

#### **Department of Education**

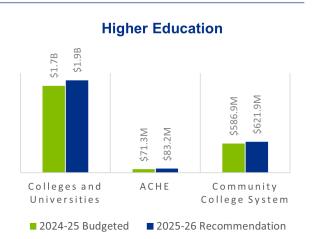
\$80.0M



2024-25 Budgeted ■ 2025-26 Recommendation

#### **Alabama Higher Education**

- \$1.9 billion for state-funded colleges and universities, up 6.3%
- \$83.2 million for the Alabama Commission on Higher Education, up 16.7%
- \$621.9 million for the community college system, up 6%, including \$43.5 million for dual enrollment (up 7.4%)

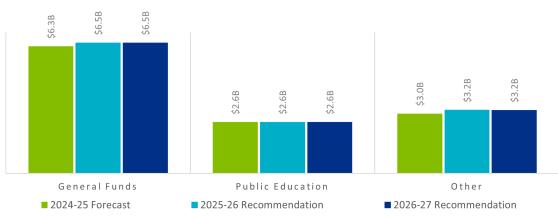


## Arkansas (<u>http://www.arkleg.state.ar.us/</u>)

Gov. Sarah Huckabee Sanders outlined her top policy priorities for the current legislative session, focusing on expanding access to higher education, improving children's mental health and well-being, enhancing public safety and pursuing immigration reform. She introduced Arkansas ACCESS, a package of bills aimed at improving the state's higher education system. The policy package includes simplifying the college application process with a single application and payment for all state-supported colleges and universities, reducing the cost of higher education by funding college credits for high school students and expanding scholarships for associate degrees and non-degree credentials.

The governor also emphasized that educating, feeding and protecting children will be central to this session's agenda. She proposed making school breakfasts free, participating in summer EBT — a federal program for children to receive food assistance during summer breaks — and announced plans to ban cell phones in schools and update the Social Media Safety Act to address the growing mental health challenges facing students.

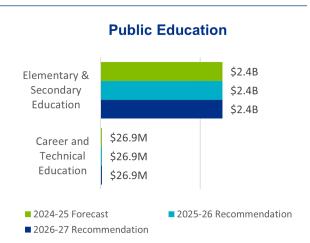
The proposed general fund budget for 2025-26 would total nearly \$6.5 billion (up 2.9% from the 2024-25 forecasted amount) and for 2026-27 would total nearly 6.5 billion (down 0.03% from the first year of the biennium). State funds for K-12 education would remain the same as 2023-24 at nearly \$2.6 billion for both years of the biennium and overall higher education would total \$777.5 million (down 0.2% from 2024-25) and \$778.8 million (up 0.2% from 2025-26).



#### General Funds

#### **Arkansas Public Education**

- \$2.4 billion for the division of elementary and secondary education for each year of the biennium, level funded
- \$26.9 million for career and technical education, level funded



#### **Arkansas Higher Education**

- \$627.5 million for 2025-26 (down 0.2% from 2024-25) and nearly \$628.7 million (up 0.2% from 2025-26) for four-year state-funded institutes
- Nearly \$116.3 million for 2025-26 (down 0.7% from 2024-25) and \$117.1 (up 0.7% from 2025-26) for two-year state-funded institutes
- \$33.7 million for 2025-26 (up 1.9% from 2024-25) and nearly \$33.1 (down 1.9% from 2025-26) for technical colleges

#### **Higher Education**



## Delaware (http://legis.delaware.gov/)

In early January, former Delaware Gov. John Carney proposed his final budget for the 2025–26 fiscal year. Following his inauguration, newly elected Gov. Matt Meyer released his proposed budget amendments for the year in late March, totaling nearly \$6.6 billion, a 7.4% increase from the previous plan. Meyer's key priorities include direct investment in classrooms, affordable housing and access to affordable and quality healthcare. The governor also emphasized commitment to government efficiency and transparency, and tax fairness.

Meyer's education initiatives include investing directly in Delaware's classrooms to improve literacy, support educators and address students' mental health, launching a statewide effort to expand training in artificial intelligence and increasing salary and healthcare funding for all state employees, including public school educators.

## Florida (<u>http://focusonfloridasfuture.com/</u>)

Gov. Ron DeSantis' "Focus on Fiscal Responsibility" budget proposal for the 2025-26 fiscal year reinforces his commitment to fiscal responsibility, with general fund spending set at nearly \$50.2 billion, up 1.6% from the 2024-25 approved budget. The proposal includes reducing government size by cutting 741 government positions and providing a \$2.2 billion tax cut, focusing on the permanent repeal of the business rent tax, the creation of a venture tax credit program and the continuation of various tax holidays. The budget also outlines a plan to pay down 50% of the state's tax-supported debt by 2027-28.

In his State of the State address, DeSantis proposed raising teacher salaries and continuing the Civics Bonus Program, which awards a \$3,000 bonus to teachers who complete the Civics Seal of Excellence training course. The proposed budget also includes additional funding for early childhood education and maintains Florida's commitment to keeping college and university tuition and fees flat.

While the general funds for K-12 education would rise 4% to \$16 billion, the general funds for state colleges and universities would decrease 4.5% to nearly \$5.5 billion.

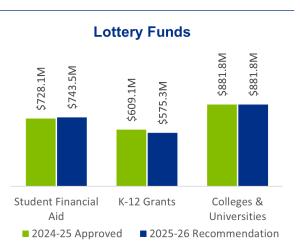
2025-26 Recommendation	\$50.2B	2024-25 Approved \$	49.4B
			× 42
	K-12 \$16.0B		К-12 \$15.4В
Other	Higher Education	Other	Higher Education
\$28.7B	\$5.5B	\$28.2B	\$5.7B

#### **General Funds**

#### **Florida Education Enhancement Lottery Funds**

Total lottery funding would decline 1.2% to nearly \$2.5 billion which includes:

- \$743.5 million, up 2.1% for student financial aid including:
  - \$632.3 million for Bright Futures, up 2.5%
- \$573.3 million, down 5.5% for K-12 grants including:
  - \$471.5 million for Florida Education Finance Program funding, down 6.7%
  - \$103.8 million for class size reduction, level funded

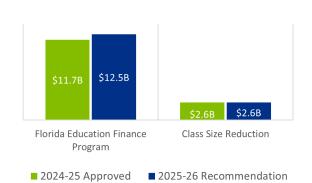


#### Florida Education Enhancement Lottery Funds (continued)

- \$881.8 million for colleges and universities, all level funded, including:
  - \$140.2 million for workforce development
  - \$258.9 million for the Florida college system
  - \$622.9 million for state universities

#### Florida K-12 Grants: General Funding

- Total \$15.1 billion, up 5.5%, including:
  - \$12.5 billion for Florida Education Finance Program, up 6.7%
  - Nearly \$2.6 billion for class size reduction, level funded

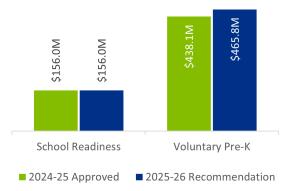


K-12 Grants General Funds

#### **Florida Early Learning**

- Nearly \$156 million for school readiness services, level funded
- \$465.8 million voluntary pre-K, up 6.3%

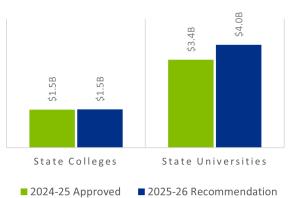
Early Learning



#### **Florida Higher Education**

- Nearly \$1.5 billion for the Florida College System, up 0.4%
- Nearly \$4 billion for state universities' general activities, up 17.1%

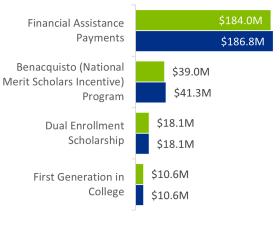
#### Higher Education



#### Florida Student Financial Aid Program

- \$288.8 million, down 9.4% for student financial aid general fund, including:
  - \$186.8 million for financial assistance payment, up 1.5%
  - \$41.3 million for Benacquisto Program a national merit scholars incentive program, up 5.8%
  - \$18.1 million and \$10.6 million for dual enrollment scholarships and first generation in college, level funded

#### **Student Financial Aid Program**



■ 2024-25 Approved ■ 2025-26 Recommendation

#### **Florida Workforce Education**

- General funds for workforce education decrease 1.4% to \$468.6 million, including:
- \$309.1 million for aid to local governments' workforce development, down 0.6%
- \$100 million for Workforce Development Capitalization Incentive Grant
- \$59.5 million for other workforce programs including \$20 million for Pathways to Career Opportunities Grant

#### **Workforce Education**

2024-25 Approved \$475.5M		
	Workforce Development Capitalization Incentive Grant \$100.0M	
Aid to Local Govt. Workforce Development \$311.0M	Other Workforce Programs \$64.5M	
2025-26 Recommendation \$468.	.6M	
	Workforce Development Capitalization Incentive Grant \$100.0M	
Aid to Local Govt. Workforce Development \$309.1M	Other Workforce Programs \$59.5M	

## Georgia (https://opb.georgia.gov/)

In his budget proposal and State of the State address, Gov. Brian Kemp emphasized that the top priority of his proposed budget is to provide relief for those impacted by Hurricane Helene last September. Other budget priorities include providing relief from high living costs, investing in infrastructure, strengthening education and workforce programs, supporting public safety, expanding the healthcare workforce and making strategic investments without expanding government. In addition, he proposed a 20-basis point tax cut acceleration which will save Georgians \$7.5 billion over 10 years.

The governor's education budget includes new funding to support learners at every stage — from pre-K through higher education. Highlights of the budget include fully funding Georgia's K-12 education system, reducing pre-K class sizes and meeting university enrollment demands, increasing support to technical schools to boost enrollment in high-demand, high-cost career programs, maintaining funding for HOPE scholarships and grants, and providing additional school safety grants for K-12 schools. It also includes the first-year funding for Georgia's new Promise Scholarship program.

The statewide general funds for 2025-26 would total \$32.5 million, up 3.6% from the originally approved 2024-25 budget and down 8.4% from the 2024-25 amended budget.

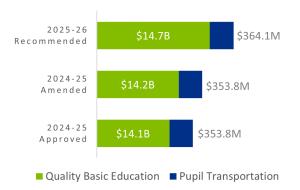


**General Funds** 

#### **Georgia K-12 Education**

- Quality Basic Education formula funding:
  - \$14.2 billion in 2024-25 amended budget, up 1% from 2024-25 original budget
  - \$14.7 billion in 2025-26, up 4.2% from 2024-25 original budget
- School transportation:
  - \$353.8 million in 2024-25 amended budget same as the original budget
  - \$364.1 million in 2025-26, up 2.9% from the 2024-25 original budget

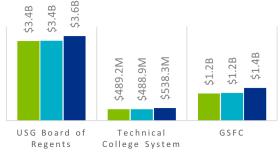
#### **Department Of Education**



#### **Georgia Higher Education**

- \$3.6 billion in 2025-26 for the University System of Georgia, up 6.4% from the 2024-25 original budget, including:
  - \$3.1 billion for teaching, up 6.8%
- \$538.3 million in 2025-26 for the technical college system, up 10% from the 2024-25 original budget
- Nearly \$1.4 billion in 2025-26 for the Georgia Student Finance Commission, up 21% from 2024-25 original budget, including:
  - \$112.7 million for dual enrollment, up 23.5%

## Higher Education



■ 2024-25 Approved ■ 2024-25 Amended ■ 2025-26 Recommended

#### **Georgia Scholarship Lottery Funds**

- Funding for scholarships from lottery funds:
  - Nearly \$906 million for HOPE scholarship for public schools, up 7.1%
  - \$78.1 million for HOPE scholarship for private schools, up 4.4%
  - \$93.8 million for HOPE Grants, up 22.5%



## Louisiana (http://www.legis.la.gov)

In early February, Gov. Jeff Landry released his second budget proposal for the 2025-26 fiscal year, totaling \$11.3 billion, a 2.9% decrease from the 2024-25 existing operating state budget. This budget reflects the administration's goal of maintaining flat funding compared to the previous year and continues the broader trend of reducing overall government spending. In his State of the State Address, Landry outlined his key priorities, which include advancing insurance reform, making Louisiana healthy again and reorganizing the department of transportation.

State funds for the state department of education would total \$4.1 billion, down 2.2% and overall higher education would total nearly \$1.3 billion, down 3.2%.

2024-25 Existing Operating Budget \$11.7B		2025-26 Recom	2025-26 Recommendation \$11.3B	
	К-12		K-12	
	\$4.2B		\$4.1B	
Other	Higher Education	Other	Higher Education	
\$6.1B	\$1.3B	\$5.9B	\$1.3B	

**General Funds** 

#### Louisiana K-12 Education

- \$93.5 million for the Louisiana Giving All True Opportunity to Rise Scholarship program- the universal school choice program in Louisiana that provides education scholarship accounts to eligible families
- \$84 million for LA-4 Pre-K program for "at-risk"
  4-year-olds
- \$78.6 million for a childcare assistance program focusing primarily on children from birth to 3 years old
- The budget cuts \$198 million for teacher pay stipends of \$2,000 for certified and \$1,000 for non-certified personnel

#### 2025-26 K-12 Recommendations

LA Giving All True Opportunity to Rise \$93.5N

> LA-4 Pre-K Program \$84M

Child Care Assistance Program \$78.6M

#### Louisiana Special Schools and Commissions

- \$8.2 million for Thrive Academy, up 3.2%
- \$11.9 million for the Louisiana School for Math, up 69.1%
- \$1.2 million for the Board of Elementary and Secondary Education, up 3%

#### Special Schools and Commissions W<sup>6</sup>TIS W<sup>7</sup>TS Thrive Academy 2024-25 Existing Operating Budget Decisional School for Math

#### Louisiana Higher Education

- Nearly \$1.3 billion for the board of regents, up 324%
- Nearly \$169 million for the merit-based TOPS scholarship program that awards qualifying students tuition payments for up to eight semesters at any eligible Louisiana institution.

## Maryland (<u>http://mgaleg.maryland.gov/</u>)

Maryland Gov. Wes Moore's proposed budget for 2025-26 fiscal year addresses a projected \$3 billion deficit amid slow economic growth and rising costs. The budget is built around three core goals: accelerating economic growth, modernizing state government and reforming Maryland's tax system. A central component of the budget is a tax reform package designed to simplify the tax code, so that two-thirds of Marylanders receive a tax cut or see no change, while higher earners contribute more. Moore emphasized that his top education priority is recruiting and retaining high-quality educators for every Maryland classroom. This includes expanding debt-free pathways into the teaching profession and increasing funding for K–12 education. The budget also commits to supporting the Blueprint for Maryland's Future, community colleges, higher education and research institutions and provides additional investments in child care.

The state general fund for 2025-26 would total \$28 billion, which is 1.8% higher than the 2024-25 appropriation. General funds for the Maryland Department of Education would rise 4% to \$8.1 billion and for higher education would rise 2.1% to \$3.1 billion.

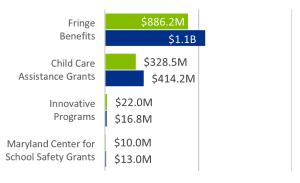
2025-26 Recommen	ndation \$28B	2024-25 Appropri	iation \$27.5B
	Department of Education \$8.1B		Department of Education \$7.8B
Other \$16.9B	Higher Education \$3.1B	Other \$16.7B	Higher Education \$3.1B

#### **General Fund**

#### **Maryland K-12 Education**

- General Funds:
  - \$1.1 billion for fringe benefits, up 21%
  - \$414.2 million for Child Care Assistance Grants, 26.1%
  - \$16.8 million for innovative programs, down 23.7%
  - \$13 million for Maryland Center for School Safety, up 30%

#### K-12 Allocation: General Funds

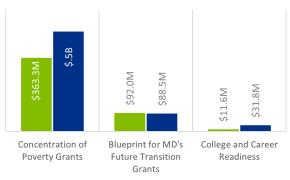


■ 2024-25 Appropriation ■ 2025-26 Recommendation

#### Maryland K-12 Education (continued)

- Special Funds:
  - \$492.6 million for concentration of poverty grants, up 35.6%
  - \$88.5 million for Blueprint for Maryland's Future transition grants, down 3.7%
  - \$31.8 million for college and career readiness, up 174.5%

#### K-12 Allocation: Special Funds

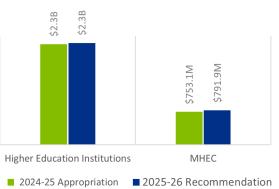


■ 2024-25 Appropriation ■ 2025-26 Recommendation

#### **Maryland Higher Education**

- \$2.3 billion for state-operated institutions of higher education, up 1.2%
- \$791.9 million for Maryland Higher Education Commission, up 5.1%, including:
- \$424.6 million for community colleges, up 4.6%
  - \$80.3 million for community college fringe benefits, 15.2%
  - \$73.3 million for nonpublic colleges, up 1%





## Mississippi (<u>https://governorreeves.ms.gov/</u>)

Gov. Tate Reeves' executive budget recommendations for fiscal year 2025-26 would provide \$7.8 billion, which is 0.8% down from the 2024-25 appropriation. The proposed budget highlights the key priorities of Reeves', including eliminating Mississippi's income tax, continuing economic development, strengthening and protecting critical infrastructures, enhancing public safety across the state and celebrating American heritage. The top education priorities of the governor are raising education standards, defending parents' rights, regulating cell phone and device usage at school, improving student mental health, and providing additional funding for the Mississippi's Education Scholarship Account program.

State allocation for the department of education would rise 0.1% to \$3.3 billion while overall higher education funding would total nearly \$1.1 billion, down 4%.

2024-25 Appropriation Total \$7.9B		2025-26 Recommendation Total \$7.8B	
	K-12 \$3.3B		K-12 \$3.3B
Other \$3.4B	Higher Education \$1.1B	Other \$3.4B	Higher Education \$1.1B

**General Funds** 

#### **Mississippi K-12 Education**

- An additional \$2 million education savings account to eliminate the waitlist for qualified students.
- \$4.5 million grants for student mental health support to close the gap in mental health services.
- Develop a Model Mississippi Digital Responsibility Policy to ensure a consistent and responsible approach to student digital use statewide.
- Establish a Parents' Bill of Rights to reaffirm that parents hold primary decision-making authority over their children.
- Revise the school accountability system

#### **Policies**

Education Scholarship Account additional \$2M

Student Mental Health \$4.5M

Develop a Model Mississippi Digital Responsibility Policy

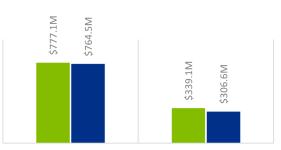
Establish a Parents' Bill of Rights

Revise the school accountability system

#### **Mississippi Higher Education**

- \$764.5 million for state-supported institutions of higher learning, down 1.6%
- Nearly \$306.6 million for community and junior colleges, down 9.6%

#### Higher Education



Institutions of Higher Learning Community & Junior Colleges

■ 2024-25 Appropriation ■ 2025-26 Recommendation

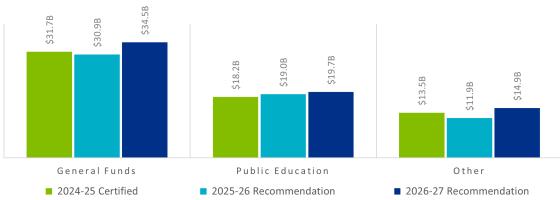
## North Carolina (https://www.ncleg.net)

Gov. Josh Stein announced his budget plan "to serve all North Carolinians" for the 2025-27 biennium which would provide \$30.9 billion in general funds in 2025-26 and \$34.5 billion in general funds in 2026-27. The former figure would be a 2.6% decrease from the revised prior year budget, mainly due to appropriations for hurricane disaster recovery in 2024, while the latter would be an 11.8% increase.

The governor's education priorities include providing an average 10.6% raise for teachers over the biennium, and raises for non-certified personnel, school-based administrators and central office staff in school districts. To strengthen the state's workforce, Stein calls for funding Propel NC, a funding model aligned with the needs of North Carolina's in-demand, high-wage workforce sectors, and providing free community college for students seeking non-credit credentials for high-demand skills.

K-12 education funding to the department of public instruction would rise 8.9% to \$12.9 billion in the first year and a further 2.9% to \$13.3 billion in the second year.

University funding would decline 9.3% in the first year to \$4.2 billion and then rise 7.1% in the second to \$4.5 billion. Community colleges would be funded at \$1.8 billion in each year of the biennium, a 16.2% increase in 2025-26, but a 1% decrease in 2026-27. The decrease is due to a one-time \$1,000 bonus to all community college employees in the first year, funding otherwise would remain level.



#### General Funds

#### North Carolina K-12 Education

- \$365.5 million 2025-26 and \$681.8 million 2026-27 for average 10.6% teacher salary increase.
- \$174.5 million over biennium for non-certified personnel, school administrators and district office staff.
- \$30 million non-recurring in each year for
  \$300 per-teacher classroom supplies stipend.
- \$63 million 2025-26 and \$93 million 2026-27 school safety allotment.
- \$14 million 2025-26 and \$15.4 million 2026-27 for middle school literacy including professional development, literacy intervention resources and tiered supports; \$25 million non-recurring for professional development and bonuses for teacher training outside the workday.

#### North Carolina Higher Education

- \$79.2 million to universities and \$30.9 million to community colleges in each year to retain talent.
- \$1,000 bonus for all community college employees in 2025-26.
- \$41.3 million in each year for Propel NC community college funding model aligned to in-demand, high-wage workforce sectors.
- \$34 million in each year for students to attain non-credit credentials for high-demand skills at community colleges.

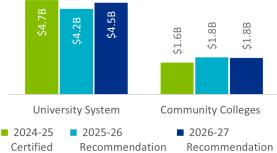
#### North Carolina Early Childhood

- \$10 million lottery funds each year for grants to pre-K summer learning programs.
- \$87.9 million each year for low-income child care subsidies.
- \$26.7 million lottery funds in 2025-26, \$33.1 million lottery funds and \$20.3 million general funds in 2026-27 to expand NC Pre-K.





Higher Education



## Oklahoma (http://www.oklegislature.gov/)

The vision of Gov. Kevin Stitt's 2025-26 budget is to make Oklahoma a top 10 state by focusing on four key pillars: making the state the most business-friendly, supporting students from the classroom to careers, ensuring public safety, and promoting the state. His budget priorities for the upcoming fiscal year include providing tax relief and greater budget transparency, ensuring recurring expenditures align with recurring revenues and making strategic investments while maintaining savings. The budget proposed nearly \$11.1 billion for the 2025-26 fiscal year which is 11% down from the previous year's budget. However, proposed education funding would increase by 0.4% to \$5.6 billion.

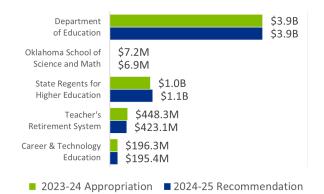
2025-26 Recommendation	\$11.1B	2024-25 Appropriation \$12	2.5B
Other \$6.9B	Education \$5.6B	Other \$6.9B	Education \$5.6B

#### **General Funds**

#### **Oklahoma Overall Education Allocation**

- Nearly \$3.9 billion for the state department of education, level funded
- \$6.9 million for Oklahoma School of Science and Math, down 3.8%
- \$1.1 billion for the Oklahoma State Regents for Higher Education, up 5.6%
- \$423.1 million for Teacher's Retirement System, down 5.6%
- \$195.4 million for the department of career and technology education, down 0.5%

#### **Education Allocation**



## South Carolina (<u>http://www.governor.sc.gov/</u>)

In early January, Gov. Henry McMaster announced a \$13 billion general fund budget for 2025-26, a 4.9% increase over the 2024-25 appropriations. The proposed budget focuses on tax relief, public safety and workforce development. A key priority of the budget is to continue cutting personal income taxes, lowering the rate from 6.2% to 6%.

McMaster's key education priorities include raising the minimum starting teacher salary to \$50,000 a year earlier than his initial plan, expanding the Education Scholarship Trust Fund to allow lowincome families school choice options and providing additional funding for the First Steps early childhood program and school resource officers. The governor also proposes freezing in-state college tuition for the sixth consecutive year and conducting a statewide review of higher education institutions to align with future workforce needs.

Lottery funds dedicated to education would total \$546.7 million, down 2.5% and the Education Improvement Act would total \$1.3 billion, up 3.6%. General funds for K-12 education would total \$4.5 billion, up 4.1%, and higher education would total \$1.4 billion, up 2.5%.

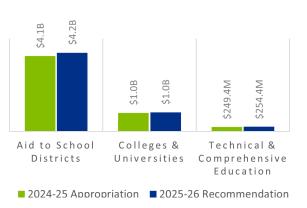


**Recommended Appropriations** 

#### South Carolina General Funds

- \$4.2 billion for state aid to school districts, u p 4.4%
- \$1 billion for state colleges and universities, up 2.9%
- \$254.4 million for technical and comprehensive education, up 2%
- \$41 million for Commission on Higher Education, level funded
- \$28.3 million for Higher Education Tuition Grants Commission, level funded

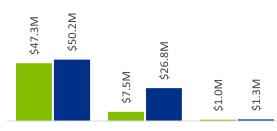
#### **General Funds Allocation**



#### South Carolina Education Improvement Act

- \$758.8 million for state aid to classrooms, up 2.7%
- \$50.2 million First Step to School Readiness, up 6.3
- \$26.8 million for summer reading camps, up 257.6%
- \$1.3 million for Reach Out to Read, up 25%

#### **Education Improvement Act Allocations**



First Step to School Summer Reading Reach Out to Read Readyness Camps

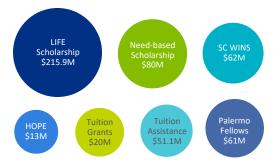
■ 2024-25 Appropriation ■ 2025-26 Recommendation

#### **South Carolina Lottery Funds**

For 2025-26, the estimated education lottery revenue would total \$546.7 million which includes:

- \$215.9 million for LIFE scholarships
- \$80 million for need-based scholarship
- \$62 million for South Carolina Workforce Industry Needs Scholarships
- \$61 million for Palmetto Fellows
- \$51.1 million tuition assistance at 2-year institutes
- \$20 million for Tuition Grants for students attending private colleges and universities
- \$13 million for HOPE scholarships

Lottery Funds



## Tennessee (https://www.capitol.tn.gov/)

In his State of the State address, Gov. Bill Lee highlighted his proposed budgetary priorities for the 2025-26 fiscal year, focusing on investments in education, infrastructure, childcare, public safety and health. A key focus within education is to provide increased funding for public schools through the Tennessee Investment Achievement Act, which includes teacher salary increases, group health insurance premiums and retirement contributions for local education employees. Other education priorities include recurring funding for the Education Freedom Scholarship Act — the statewide school choice program — and summer learning camps and summer transportation program, expanding school-based behavioral health support, offering paid parental leave for educators, and providing free attendance at Tennessee Colleges of Applied Technology.

The general fund budget would total nearly \$26.1 billion, up 11.1% from last year's appropriation. State funds for K-12 education would total \$7.8 billion, up 7.9%, and higher education would total nearly \$3 billion, up 4.4%.

2025-26 Recommendation \$2	6.1B	2024-25 Estimated \$23.5B	
	K-12 \$7.8B		K-12 \$7.2B
Other \$15.3B	High Ed \$3.0B	Other \$13.4B	High Ed \$2.9B

#### **General Funds**

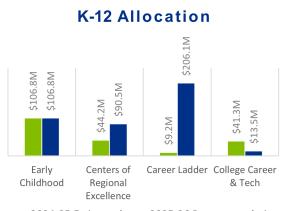
#### **Tennessee K-12 Education**

- \$347 million for the Education Freedom Scholarship Act of which-
  - \$148.6 million recurring
  - \$198.4 million non-recurring
- \$27.3 million in recurring funding for the summer learning program
- \$10 million recurring funding for local education agencies paid paternal leave
- \$25 million for fast growth fund to support LEAs experiencing high student enrollment growth of which-
  - \$5 million recurring
  - \$20 million non-recurring



#### **Tennessee Other K-12 Funding Areas**

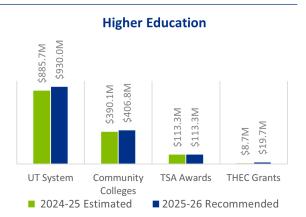
- \$106.8 million for early childhood education, level funded
- \$90.5 million for Centers of Regional Excellence, up 104.6%
- \$206.1 million for Career Ladder, up 2149.8%
- \$13.5 million for college and career tech education, up 30.8%
- \$7 billion for Tennessee Investment in Student Achievement, up 2.8%



#### 2024-25 Estimated 2025-26 Recommendation

#### **Tennessee Higher Education**

- Nearly \$930 million for the University of Tennessee System, up 5%
- \$406.8 million for community colleges, up 4.3%
- \$113.3 million for Tennessee Student Assistance Awards, level-funded
- \$19.7 million for Tennessee Higher Education Commission Grants, up 12.7%



## Texas (https://gov.texas.gov/organization/bpp)

Gov. Greg Abbot's budget proposal for the 2026-27 biennium makes legislative recommendations on property tax relief and reform, improving public safety, expanding the state's economy, investing in energy projects, supporting public health and bolstering the state's infrastructure. He also made several education recommendations designed to achieve K-12 educational excellence and develop a more affordable and more accessible higher education system.

Among Abott's recommendations for K-12 education is establishing a \$1 billion universal education savings account program and increasing the facilities allotment for charter schools. He called for increasing teacher compensation through expansion of the Teacher Incentive Allotment and possibly a direct appropriation, expanding access to high-quality educator preparation programs and improving classroom teacher supports, particularly for new teachers. Abott also recommended transitioning the special education funding system to a service intensity-based formula, investing in the special education teacher workforce, and increasing funding for student evaluations.

He advocated increasing the School Safety Allotment (estimated at \$185 million in both years of the 2024-25 biennium) and also providing an additional \$500 million for further school safety enhancements (funded at \$300 million in 2024-25). To expand career preparation options available to high school students, Abott recommended increased funding for K-12 career and technical education, improving and expanding career exploration and advising programs and investing in strategies to improve student performance in mathematics. The Strong Foundations program, which provides planning and implementation grants to school districts to use Open Education Resources, has received more than double the original estimated demand for funding when the program was established in 2023; the governor recommended the Legislature appropriate funding to meet the demand.

The Legislature in 2023 approved large-scale changes to the community college finance system, moving to an outcomes-based funding system (focused on students earning credentials and transfer credits) and providing \$680 million to support its implementation. That legislation also established the Financial Aid for Swift Transfer program, allowing educationally disadvantaged students to take dual credit courses at no cost. Abott called for fully funding in 2026-27 the outcomes-based community college formula adopted in the 2023 session and for legislative approval of a supplemental funding request for the formula in the present biennium. The governor also supports increased funding for the need-based TEXAS Grant Program and Texas Leadership Scholars Program.

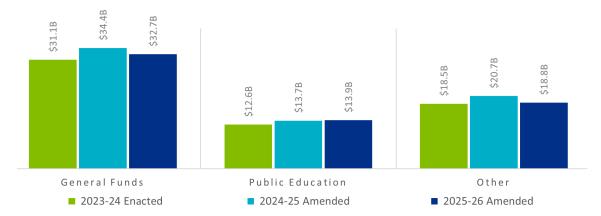
Abott's higher education recommendations also included providing additional funding to Texas State University and the University of North Texas so they qualify for Level I funding from the Texas University Fund, providing additional funding to expand the Direct Admissions program, and providing funding to increase the number of nursing faculty and preceptors as well as providing a stable funding source for institutions to expand their graduate level healthcare professional programs.

## Virginia (http://dpb.virginia.gov/budget/)

In mid-December 2024, Gov. Glenn Youngkin unveiled his budget amendments for 2024-26, which aim to provide tax relief by eliminating car tax and tax on tips and making standard deductions permanent, upgrade and maintain critical IT systems across the state, reinforce the mental and developmental health safety net and provide increased funding for public safety and emergency preparedness.

Key education priorities of the budget include providing increased funding for K-12 schools to support a new Standards of Learning testing system, assisting schools with accreditation challenges and providing funding for opportunity scholarships. The governor proposed a \$50 million Virginia Opportunity Scholarship Program to help low-income families to cover costs such as tuition, transportation and supplies at private schools. He also committed an additional \$25 million to expand lab school partnerships with Virginia's historically Black colleges and universities, aiming to create more innovative learning models and equitable access for underserved communities. The proposal also includes a 2.5% cap on tuition increases at state colleges and universities and no increase in their operating budgets.

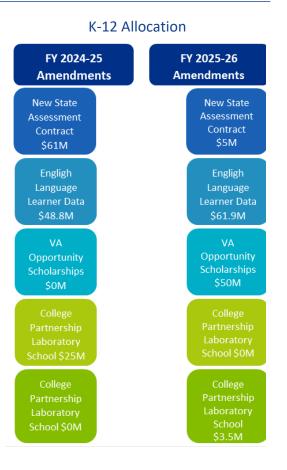
For 2024-25, the amended general funds would total \$34.4 billion — a 5.1% increase over the 2023-24 enacted budget — and for 2025-26, \$32.7 billion — a 5.2% decrease from the 2024-25 amended budget. General funds for all levels of education would total \$13.7 billion, up 9% over the prior year's enacted budget and \$13.9 billion in 2025-26, up 1% from the 2024-25 amended amount.



#### **General Funds**

#### Virginia K-12 Education

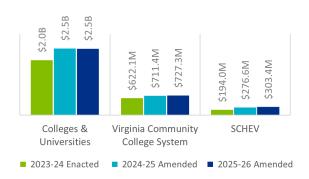
- \$61 million in 2024-25 and \$5 million in 2025-26 to implement a new statewide assessment contract
- \$48.8 million in 2024-25 and \$61.9 million in 2025-26 to update the cost of the English Learner Teacher Standards of Quality program to reflect updated data for verified English learners, including updated proficiency level data
- \$50 million only in 2025-26 for Virginia Opportunity Scholarships to award grants to eligible economically disadvantaged students to cover the costs of attending private schools
- \$25 million only in 2024-25 to establish new lab schools in partnership with HBCUs
- \$3.5 million only in 2025-26 to increase funding or the New Economy Workforce Credential Grant Program



#### **Virginia Higher Education**

- State-funded colleges and universities:
  - Nearly \$2.5 billion in 2024-25, up 21.3% from 2023-24 enacted budget
  - \$2.5 billion in 2025-26, down 0.2% from 2024-25 amended budget
- Virginia Community College System
  - \$711.4 million in 2024-25, up 14.3% from 2023-24 enacted budget
  - \$727.3 million in 2025-26, up 2.2% from 2024-25 amended budget
- State Council of Higher Education for Virginia
  - \$276.6 million in 2024-25, up 42.6% from 2023-24 enacted budget
  - \$303.4 million in 2025-26, up 9.7% from 2025-26 amended budget

#### **Higher Education**



## West Virginia (https://budget.wv.gov/)

In his first State of the State address, Gov. Patrick Morrisey emphasized a strong commitment to fiscal responsibility, making it a central focus of his administration. His proposal includes consolidating three state departments and eliminating unnecessary boards and commissions, increasing funding for the Public Employees Insurance Agency to fulfill the state's legal obligations, expanding broadband access, improving healthcare competitiveness and implementing universal licensing reciprocity to attract more workers to the state.

His education priorities include focusing on classroom excellence and workforce readiness, strengthening basic skills like reading and math, while also improving modern skills like STEM, coding and digital literacy, updating the school aid formula and expanding vocational tech education. Morrisey also urged the lawmakers to allow cellphone bans in classrooms.

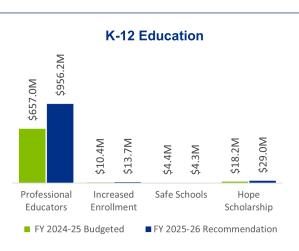
The proposed budget includes a \$5.3 billion general fund budget for 2025-26, down 7.5% from the 2024-25 budget. Funding for public K-12 education would fall 2.6% to \$2.3 billion and for post-secondary education would fall 28.2% to \$476.1 million.

2024-25 Budgeted	Total \$5.8B	2025-26 Recomme	ended Total \$5.3B
	K-12 \$2.34B		K-12 \$2.28B
Other \$2.74B	Higher Education \$663.0M	Other \$2.56B	Higher Education \$476.1M

#### **General Funds**

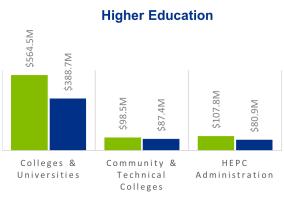
#### West Virginia K-12 Education

- \$956.2 million for professional educators, up 45.6%
- \$13.7 million for increased enrollment, up 30.8%
- \$4.3 million for safe schools, down 2%
- \$29 million for Hope Scholarships, up 58.9%
- \$317.6 million public employees' insurance matching, up 8.7%
- \$39.8 million for teachers' retirement savings, up 4.4%
- \$2.3 million for attendance incentive bonus, down 18.5%



#### West Virginia Higher Education

- \$388.7 million for state-funded colleges and universities, down 11.3%
- \$87.4 million for community and technical colleges, up 11.3%
- \$80.9 million for West Virginia Higher Education Policy Commission, down 25%, including:
  - \$40.6 million for the higher education grant program
  - \$5.8 million for dual enrollment program



■ FY 2024-25 Budgeted ■ FY 2025-26 Recommendation

This report was prepared by Jeffrey Grove, SREB program specialist (Jeffrey.Grove@SREB.org) and Kimiya Munni, SREB analyst II (Kimiya.Munni@SREB.org). Both can be reached at (404) 875-921.