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Action Taken On 2017 Legislative Priorities

Prior to the commencement of the 2017 legislative session, NCASA, in consultation with our membership and Board of Directors, adopted our [2017 Legislative Priorities](#). The following information provides an update on the progress made on these priorities based on actions taken by the 2017 General Assembly during the session that concluded June 30. NCASA will continue to seek support from legislators and other policymakers for additional progress as needed on these priorities and other public school issues and will provide further updates as pertinent.

1. Invest Adequate Resources in North Carolina Public Schools

- During the 2017 session, NCASA played a major role in the passage of [House Bill 13](#), relaxing a provision in the 2016 state budget mandating further reductions in K-3 class size and calling for a two-year phase-in that lawmakers have pledged to supplement with new funding for enhancement teachers in 2018-19 when class sizes will dip again. This pledge was put into writing with intent language included in [House Bill 528](#), the Budget Technical Corrections bill.
- The enacted budget fully funded ADM, provides an additional \$11.3 million for textbooks and digital materials, \$6.3 million in recurring funds to increase the funding cap for Children with Disabilities from 12.5% to 12.75%. \$19 million for the School Business System Modernization Plan, and an additional \$2.4 million for the Digital Learning Plan.
- The enacted budget puts more money toward enhancing teacher and principal preparation and recruitment/retention programs such as the Principal Preparation Grants Program, New Teacher Support Program and Future Teachers of North Carolina, as well as re-establishing the NC Teaching Fellows Scholarship Program.
- Although NCASA advocated fiercely for no central office allotment reduction by highlighting the value they provide in supporting schools and students and emphasizing that this state allotment already is inadequate at just 1% of the State's public schools budget, the enacted budget did contain a reduction in funds to the central office allotment in 2017-2018 and 2018-2019. As originally proposed by the Senate budget, the central office allotment would have been cut by \$10 million in 2017-2018, and \$15 million in 2018-2019. NCASA helped mitigate the final amount of the cut to \$7 million in 2017-2018, and \$11 million in 2018-2019.

2. Increased Compensation for All Educators and School Personnel

- NCASA made increasing school-based administrator pay one of our top priorities for 2017. Although, NCASA presented our own plan for revamping principal and assistant principal pay

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schedules, both chambers had their own priorities in what school-based administrator reform would look like. NCASA worked with House and Senate leaders to fine-tune plans presented by both chambers and headed off a block grant funding model for principal pay as first proposed by a legislative study committee and was later introduced in Senate legislation. Ultimately, the budget includes the following:

- \$24 million in new funding for principal pay; an average 8.6% increase
- Opportunity for principals to earn up to \$15,000 in bonus compensation
- \$11 million in new funding for assistant principal pay; a 13.4% average increase
- An assistant principal pay schedule that ties to the teacher schedule to ensure that as teachers continue to see compensation increases, so will assistant principals
- Hold-harmless provisions that ensure no principal or assistant principal will take a pay cut.
- The budget also contained the following provisions regarding school personnel compensation and benefits priorities:
 - Average 3.3% compensation increase for teachers in 2017-2018, with average 9.6% over the two year biennium
 - \$385 bonus for teachers with 25+ years of experience
 - Extends bonus programs established last year for qualifying 3rd Grade, AP/IB, CTE teachers.
 - Establishes new math bonus program for teachers in grades 4-8, and a reading bonus program for teachers in grades 4-5.
 - A \$1,000 salary increase for central office and non-certified school personnel
 - \$16.9 million for school bus driver compensation increases
 - 1% cost-of-living-adjustment for retirees
 - 3 bonus leave days for all state and school employees
- The Senate proposed, but did not pass, [Senate Bill 467](#). That bill would have eliminated the TSERS' Retirement System (pension) for personnel hired beginning July 1, 2018, shifted them to the North Carolina 401(k) Plan or North Carolina 457 Plan, and eliminated their medical insurance upon retirement. The Senate budget and ultimately the final budget included the elimination of retiree medical insurance for new hires as of Jan. 1, 2021, but the current pension system remains unchanged. This provision does not impact any current school personnel.

3. Calendar Flexibility

- [House Bill 375](#), authorizing LEAs to adopt the local community college's start date as the opening day of the public school year, but no earlier than August 15, gained approval in the House but failed to see action in the Senate. The bill remains eligible for consideration during the 2018 legislative session.
- [House Bill 389](#), authorizing pilot calendar flexibility for 20 LEAs and allowing those LEAs to start school no earlier than August 10 for three school years, gained approval in the House as stand-alone legislation and was also included in the House's budget. The bill did not see action by the Senate and was not included in the final compromise budget. The bill remains eligible for consideration during the 2018 legislative session.

4. School Performance Grades & Accountability

- The final enacted budget amends the state's A-F School Performance Grading System to meet the new requirements of the federal Every Student Succeeds Act (ESSA) and provide school districts with one cohesive accountability system that meets both federal and state objectives.
- The following bills were approved by the House as stand-alone legislation and included in the House's proposed budget. The Senate did not take action on any of these bills, nor did their provisions make it into the final budget. All bills remain eligible for the 2018 legislative session:
 - [House Bill 322](#), increasing the weight of school growth in the calculation of school performance scores so that school achievement scores and school growth scores each account for 50% of the total sum for the school's school performance score and grade.
 - [House Bill 458](#), amending the A-F School Performance Grades to provide for two separate grades, one for achievement and one for growth.
 - [House Bill 826](#), removing schools that receive a school performance grade of a "D" or "F" which "met expected growth" from the definition and sanctions of low-performing schools.
 - Additionally, the House's proposed budget made permanent the 15-point grading scale for the A-F School Performance Grades. That provision was not included in the final budget. However, the 15-point scale does remain in place until 2019-2020 as reflected in the 2016 budget law, since this scale was not adjusted by lawmakers in 2017.

5. Accountability in School Choice Options

- Although [Senate Bill 658](#) was filed in the Senate potentially requiring LEAs to share funds with charter schools for programs they do not offer and for district and school grants and reimbursements that charter schools may apply for themselves, the bill did not receive a hearing or pass the Senate, and no language changing the funds LEAs are required to share with a charter school was included in any legislation that became law in the 2017 session.
- The House's proposed budget contained a provision requiring students which participate in the Opportunity Scholarship (private school voucher) Program to be tested using the Iowa Test of Basic Skills in grades three and higher to enable comparison of student performance. The provision was not included in the final enacted budget.
- The enacted budget codifies the intent stated in the 2016 budget law to increase state funding for private school vouchers (opportunity scholarships) by \$10 million annually each of the next 10 years, from \$34.9 million in 2016-17 to \$134.9 million in 2026-2027, but also rolls this intent into the base budget starting with 2017-18, thereby making that annual increase automatic.
- The enacted budget provides \$450,000 in 2017-2018 and \$3 million in 2018-2019 to establish a new school choice option in which families of eligible children with disabilities would be provided a personal education savings account (ESA) with \$9,000 that would allow them to send their child to a private school or buy educational supplies and materials for home-school education.