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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 its [2017 Legislative Priorities](#). This document is designed to provide members with an update on the progress made on these priorities during the legislative session. Below is a summary of action taken toward each priority. NCASA's full 2017 Legislative Priorities and agenda items can be seen [here](#).

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](#), modifying a provision in the 2016 state budget mandating further reductions in K-3 class size and calls 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 for Children with Disabilities to increase the funding cap for children with disabilities allotment from 12.5% to 12.75%. \$19 million for the School Business System Modernization Plan, an additional \$2.4 million for the Digital Learning Plan.
- The enacted budget puts more money toward enhancing or establishing teacher and principal preparation and recruitment/retention programs such as the Principal Preparation Grants Program, Re-establish NC Teaching Fellows, New Teacher Support Program and Future Teachers of North Carolina.
- Although NCASA advocated fiercely for no central office allotment reduction by demonstrating to lead lawmakers how valuable central office staff is to their districts and how central office funding is already stretched thin at just 1% of the State's education 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 mitigated the final amount of the cut to \$7million 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 its top priorities of 2017. Although, NCASA presented its own plan for how it would like to see a new principal and assistant principal schedule look, both chambers had their own priorities in what school-based

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administrator reform would look like. NCASA worked with House and Senate leaders to fine tune plans presented by both chambers and avoid a block grant funding model for principal pay as first proposed by a legislative study committee, and as 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.
- 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.
 - Central office and other school personnel receive a \$1,000 salary increase
 - \$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 TSERS' Retirement System (pension) for personnel hired beginning July 1, 2018 and directs those hires to the North Carolina 401(k) Plan or North Carolina 457 Plan and eliminated Retiree Medical Insurance for new hires after July 1, 2018. The Senate also included the elimination of Retiree Medical Insurance for new hires after July 1, 2018 in its budget, but did not include the elimination of the pension plan. Ultimately the final budget includes the elimination of Retiree Medical Insurance for new hires after January 1, 2021. This provision does not impact any current school personnel. The current pension plan remains unchanged.

3. Calendar Flexibility

- [House Bill 375](#), authorizing LEAs to schedule its start date to coincide with the start date of a community college serving the city or county of the LEA, 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 next year's 2018 legislative session.
- [House Bill 389](#), authorizing pilot calendar flexibility for 20 LEAs and allow those LEAs to start school no earlier than August 10 for three school year, gained approval in the House as standalone 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 next year's 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 standalone 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 Grade 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 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 last year’s 2016 budget legislation.

5. Accountability in School Choice Options

- Although legislation was filed in the Senate ([Senate Bill 658](#)) 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, pass the Senate, and no language changing the funds required to be shared by an LEA to a charter was included in the budget.
- The House’s proposed budget contained a provision requiring students which participate in the Opportunity Scholarship 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.
- 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.