HOUSE RELEASES PARTIAL BUDGET

On Thursday, the House Appropriations subcommittees unveiled portions of their proposed budgets. Salary and benefit portions are set to be released on Tuesday, along with the House tax cut package. The Senate passed its proposed budget a couple of weeks ago. The House will amend and vote on its spending plan next week. After that, the House and Senate will begin negotiating a final budget. NCAE President Mark Jewell issued the following statement yesterday:

"While the part of the House Education budget that has been released so far doesn’t contain some of the damaging provisions of the Senate, it does not make the same strong investments in our public school students that Governor Cooper recommended. NCAE is very concerned about the lack of money for thousands of specials teachers that were in jeopardy this year over new class size regulations and the lack of permanent funding for student resources like textbooks and digital materials. It’s also a troubling trend of supplanting education funding using lottery funds when they should be used to enhance the education of our students. However, the inclusion of the calendar flexibility pilot for districts is a step in the right direction and the jury is still out on an educator pay plan."

Here are some of the details of the House Education budget:

- Salary and benefit proposals to be released on May 30.
- Does NOT include new money for specials teachers.
- Requires a report on the limits of classroom space making it hard to comply with new class size regulations without building expansion.
- Fully funds enrollment growth of 9,120 more students.
- Appropriates $10.3 million additional for textbooks and digital resources, but it’s only one-time money, and the overall textbook fund would drop from $71M to $65 M.
- Uses lottery receipts to fund non-certified personnel and transportation expenses.
- Does NOT include new private school voucher money to parents called an Education Savings Account as the Senate did.
- Increases funding to Opportunity Scholarship vouchers for private schools, but also requires voucher students to take the Iowa Test of
Basic Skills twice a year to enable a study and comparison of student performance.
- Includes a special provision for a calendar flexibility pilot for 20 counties.
- Modifies graduation requirements to require one credit in arts education between grades 6-12.
- Restores a version of the Teaching Fellows Program for STEM and Special Education.
- Eliminates ASW process for teacher evaluations.
- Changes school grading process to have one school grade for achievement and one for growth and uses a 15-point scale instead of a 10-point scale.
- Changes name of the Achievement School District to the Innovation School District and expands the program when the pilot project has yet to really get underway. The ASD in Tennessee has shown very troubling results.
- Restores 25% cut to the Department of Public Instruction that the Senate passed, but gives Superintendent control over more staff positions.
- Restores cuts to the Governor’s School.
- Preserves the food stamp eligibility requirements the Senate changed which would have led to 133,000 people losing access to food stamps, including 51,000 children.
- Includes funding to eliminate current wait list for Pre-K over two years. Gov. Cooper included a similar provision in his budget, but the Senate only would have cut the wait list in half.

We will keep you up-to-date next week on all the House budget action. You can review the House Education money report and special provisions online.

TRUMP-DEVOS BUDGET DISMANTLES PUBLIC EDUCATION

DeVos and President Trump’s overall agenda is set on privatizing and destroying the public institutions that support opportunity for American students, educators, and families. You can see their priorities in how their $10.6 billion in budget cuts affect crucial public
education funding:

- $1.2 billion from after-school programs
- More than $700 million from loans for low-income students
- $27 million from arts education
- $2.1 billion that helps reduce class size and support professional development for educators

Even worse, DeVos and Trump are trying to take this public funding away from public schools in order to funnel them to private schools. We simply can’t afford to fund two different education systems—one private and one public—on the taxpayers’ dime.

The Trump-DeVos plan for education consists of voucher programs and budget cuts that would rob public schools of the resources to provide students with a well-rounded curriculum and community support services, such as health care and after-school programs.

We should focus on investing in public schools, where 90 percent of children go, not diverting money from them for the 10 percent who go to private schools.

Please send an e-mail to Betsy DeVos today and tell her how her voucher cuts hurt our students, educators, and schools:

[https://actionnetwork.org/letters/tell-betsy-devos-your-voucher-plans-harm-students](https://actionnetwork.org/letters/tell-betsy-devos-your-voucher-plans-harm-students)

**LICENSING BILL**

The Senate Education Committee approved [Senate Bill 599](https://legislation.nc.gov/BillTracking/LegislationDetails.aspx?BillNumber=S599) this week, which establishes a new professional educator preparation standards commission and reorganizes and clarifies the teacher licensure process. NCAE has major concerns with this bill. One, it’s not even necessary. Based on the budget last year, certification and licensure requirements were mandated and have been implemented by the State Board of Education, so it’s unclear why lawmakers are doing this again. There are also major concerns around changes affecting lateral entry teachers and allowing a student’s clinical teaching in a private school when the curriculum and standards can be completely different.

Amendments trying to address some of the concerns were defeated in the committee. The concerns were enough for one lawmaker, Sen. Erica Smith-Ingram, to pull her name off the bill as a sponsor. The bill still has to go through the Senate Finance Committee and the Senate Rules
Committee before a floor vote. It’s unclear whether the House will consider taking up the legislation.

**ESSA PLANS**

NCAE leaders and staff have been working with an education stakeholders group to make significant and important changes to the state’s draft ESSA plan that will be submitted to the U.S. Department of Education in September. NCAE is advocating for more educator voices as part of the plan, identifying additional barriers to equal access to educational opportunities, and providing key input on benchmark measures. The stakeholders will meet again next week and NCAE will be there.

**HEALTH CARE DEPENDENT AUDIT**

All State Health Plan members with dependents are starting to receive letters requesting documentation to verify the eligibility of dependents to participate in the State Health Plan. According to the State Treasurer’s office, in order to ensure continued coverage under the Plan for those dependents, members must respond with the required documentation by **July 31, 2017. Failure to respond and produce the required documentation will result in termination of dependents’ coverage under the Plan effective August 1, 2017.**

You can review a copy of the letter being sent to State Health Plan members, along with instructions on providing documentation of dependents here.

**RETIREE LAWSUIT**

North Carolina government could soon have to pay damages to retired workers and teachers after a judge ruled it was wrong to require them to begin paying health insurance premiums six years ago -- a cost that one state official says could exceed $100 million.

Retirees sued in 2012 after the legislature directed the state employee health insurance plan to mandate that they make monthly contributions to receive what had been standard insurance coverage for decades. A retiree who still wanted to avoid premiums could get covered under a
A trial judge last week ruled for the retirees, saying they had a contractual right as part of their work agreement to receive the standard coverage without a premium.

The judge ordered the state reimburse retirees for premium payments they made to retain the "80/20" plan and offer that plan as it existed in 2011 premium-free for the rest of their lives. It is possible individual repayments could reach into thousands of dollars.

It’s unclear whether the decision will be appealed or when retirees would receive refunds if the decision stands.

**BILLS BEING TRACKED:**

**HB 486**  National Guard Education Assistance Changes