VOLUME 14 ISSUE

6

March 22, 2024

A WEEKLY UPDATE

LEGISLATION AND POLICY

ON EDUCATION

AUDERLOS UURA NOSTRA IDEFENDEREUT ALABAMA STATE HOUSE

TO SEE A LIST OF BILLS TRACKED BY AASB DURING THE 2024 REGULAR SESSION, CLICK ON BILL TRACKER BELOW:



Working for Alabama

Governor Kay Ivey and legislative leadership unveiled 'Working for Alabama,' a bipartisian package of bills designed to strengthen Alabama's workforce, economic and community development efforts.

Governor's press release

AASB Advocacy Days

Just a few spots left for AASB Advocacy Days!

Tuesday, April 2 <u>REGISTER NOW</u> Dist. 1, 2, 3, 4, 5 & CSFOs

Wednesday, April 17 <u>REGISTER NOW</u> Legislative Committee Day All Districts & CSFOs

For more information or any questions, please contact <u>Tracey Meyer</u>.

Spring Break

Lawmakers will be taking their official spring break March 25-29. The session will resume April 2.

2024 Regular Legislative Sessio

13 Days Remain



After a fast-paced month and a half of the regular session, lawmakers returned from an "in-district" work week ready to tackle business at a much slower speed. With a few priority bills already signed by the governor, legislators are back to their normal pace of a two legislative day, one committee day work week. Meanwhile, the education community awaits discussion on the Education Trust Fund (ETF) Budget and other related appropriations bills expected to go before the House Ways and Means Education (HWME) Committee after spring break.

Millions in Tax Cuts Proposed

As everyone awaits budget deliberations, the legislature is considering several tax credit bills that would reduce hundreds of millions of dollars to the ETF and decrease revenues available for public education.

The HWME Committee held a public hearing Wednesday on (H.310 Collins), a bill that would divert up to \$80 million annually from the ETF for rural hospitals. Speaking in opposition, AASB and fellow education associations repeatedly emphasized the harm this bill and other proposed tax exemption legislation would have on the ETF. AASB **Director of Governmental Relations Ada** Katherine van Wyhe reminded committee members, "The recently enacted school voucher tax credit bill (CHOOSE Act) requires the legislature to annually appropriate at least \$100 million to the CHOOSE Act fund. This rural hospital tax credit would be an additional \$80 million deduction to the ETF, on top of the CHOOSE Act's minimum appropriation every year."

The bill's sponsor committed to working with proponents and opponents to more equally distribute the proposed tax cut with the General Fund budget. **AASB's position is that no funds should be diverted from the ETF for any purposes not directly re-**

They're Baaaaaack...

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lated to public education.

AASB and education groups <u>distributed a</u> <u>position letter</u> to the House and Senate ETF Budget chairmen and committee members in opposition to any proposed legislation for credits or exemptions that would decrease tax receipts to the education budget.

Cap(s) or Fact?

The Senate Finance and Taxation Education (SFTE) Committee also held a public hearing Wednesday on (S.110 Sessions), the Senate version of the property tax assessment cap bill, (H.73) sponsored by **Rep. Phillip Pettus.** The Senate sponsor insists this legislation is not a cut to revenue. However, schools would lose millions in growth each year. AASB, other education groups, the Association of County Commissions of Alabama (ACCA), and the Alabama League of Municipalities (ALM) strongly oppose both bills.

What do the bills do? The Senate bill sets the annual cap at 3% for Class III and 5% for Class II properties, while the House substituted that language, and <u>H.73</u> now caps both Class II and Class III property tax increases to 5% of the previous year's assessed property value.

Click here to see the anticipated revenue loss in all 67 counties if a 3% cap had been in place this year.

Bills Pose Danger to ETF

Several tax exemption bills this legislative session would diverting critical tax receipts from the state's education budget. In addition to the CHOOSE Act, already signed into law (<u>Act 2024-21</u>), the following bills have been introduced and if enacted, would deal a blow to the ETF:

 (<u>H.236 Rafferty</u>/<u>S.62 Orr</u>) are companion bills that have passed both chambers and would remove the state's 4% sales tax on baby and feminine products. This legisla-

P.O. Box 4980 | Montgomery, AL 36103-4980 | 800/562-0601 | www.AlabamaSchoolBoards.org Developing Excellent School Board Leaders Through Quality Training, Advocacy and Services tion would reduce revenue to the ETF by an estimated \$11.2 million annually and reduce local annual revenues by around \$15 million.

• (<u>H.257 Lovvorn</u>) is a bill to exempt camping, hunting, and outdoor supplies, including boats and ATVs, from state sales tax during two "tax holiday weekends" per year and would have an estimated ETF revenue loss of \$28.5 million.

There are even more bills that would exempt certain purchases and items from state taxes - everything from eyeglasses/contacts to livestock fencing materials. Additionally, two large tax credit bills that are part of the <u>Gover-</u> nor's 'Working in Alabama' legislative package would have a combined total hit of approximately \$50 million. Coupled with legislation already enacted, these bills as introduced could amount to lost revenue to the ETF of \$300 million, not counting potential decreases to local revenues.

COMMITTEE ACTION

The following bills saw committee action in the House and Senate this week:

Nowhere Over the Rainbow

The House Education Policy (HEP) Committee amended and approved Rep. Mack Butler's bill, <u>H.130</u>, that would extend the state's current law prohibiting teacher instruction/classroom discussion on topics about sexual orientation and gender identity from K-5th to K-12th grades. The adopted <u>amendment</u> prohibits teachers and public school employees from displaying certain flags and insignia relating to or representing sexual orientation or gender identity in a public K-12 classroom or on school property.

Abstinence Only Sex Ed

Also approved as amended by the **HEP Committee** was **Rep. Susan DuBose's** bill, <u>H.195</u>, that would require any sex education taught in public schools to be exclusively abstinence based. The <u>AASB supported amendment</u> adopted removes language about bringing private causes of action against school boards.

Compensation Increase for School Boards

<u>S. 175</u>, sponsored by **Sen. Donnie Chesteen**, was unanimously passed Tuesday by the Senate. This bill would allow for an increase of the maximum monthly compensation rate from \$600 up to \$900 (with board approval) and incent individual board members' compliance with annual training requirements established in the School Board Governance Improvement Act of 2012. The companion bill, <u>H.83</u>, sponsored by **Rep. Tracy Estes**, was favorably reported Wednesday by the **HEP Committee**. *These are AASB priority bills.*

Other bills approved by the House Education Policy:

Assistant Principals

• <u>H.22 Gidley</u> - would require K-12 public schools to employ an assistant principal. **Gidley** said the intent of the bill is to ensure every school has an assistant principal

and not to create a unfunded mandate, citing interest from both House and Senate ETF Budget chairs to fund these positions.

Student Discipline

 <u>H.188 Collins</u> - would create a uniform process for suspension and expulsion of public school students. The bill was substituted with changes agreed upon by education groups. The Senate sponsor of the companion bill <u>(S.165 Smitherman)</u> is agreeable to amendments to match the House version. AASB has worked on this bill for several years.

Bills approved by Senate Education Policy:

First-Grade Readiness

<u>H.113 Warren</u> - would require a child to successfully complete kindergarten or demonstrate first-grade readiness before being enrolled in first grade. Before receiving a favorable report, there was lengthy discussion and several questions by committee members directed to the State Department of Education (SDE) about schools' capacity and ability to accommodate the potential influx of additional kindergarten students. The question of what happens to children not deemed to be first-grade ready also was raised. Before approving the bill, Senate Education Policy Chair Sen. Donnie Chesteen, who's carrying the Senate version of the bill (<u>S.76</u>), advised the House sponsor to work with the SDE to address these questions before the bill is heard on the Senate floor.

Credit for Paraprofessionals/Aides

• <u>S.217 Chesteen</u> - would allow certified teachers to apply for credit based on previous experience as a classroom aide or paraprofessional also was passed out of committee. A certified teacher with at least four years of full-time experience in either of these roles may purchase one year of experience credit on the local teacher salary schedule for every two years served in these roles. This would only apply to teachers hired after June 1, 2024.

ENACTED

The following bills have been signed by the governor and are now law:

<u>Act 2024-34</u> (Barfoot) - Diversity, Equity and Inclusion (DEI) - prohibits public K-12 local boards, state agencies and public universities from sponsoring DEI programs defined in the bill as classes, training, programs and events where attendance is based on a person's race, sex, gender identity, ethnicity, national origin or sexual orientation. *Effective October 1, 2024* <u>Act 2024-35</u> (Reed) - Parents' Right to Know -

would require public pre-K-12 schools to post class curricula on school websites and permit parents/guardians of enrolled students to examine instructional and supplemental materials upon request. *Effective June 1, 2024*

We will return with the next issue of our Advocate for Schools newsletter on April 5, after the legislative spring break.



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