VOLUME 14 ISSUE

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# A WEEKLY UPDATE ON EDUCATION LEGISLATION AND POLICY



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



# Advocacy Day Committee Hearings

It's still not too late to join us **Wednesday**, **April 17** for AASB's final Advocacy Day experience of the 2024 legislative session. You'll get an up-close view of the action during the legislative committee hearings process as law-makers hear from proponents and opponents of proposed education-related legislation.

# **REGISTER NOW**

#### ETF Budget Stalls

The ETF budget was to be voted on by the House this week prior to adjournment. However, with a backlog of House bills on the Senate calendar, House leadership sent a message of displeasure to the Senate by slowing down the passage of bills until the upper chamber got to work. The Senate responded quickly, passing 41 bills Tuesday and the General Fund package Thursday, making room for House bills on the Senate calendar next week and moving the process along.

# 2024 Regular Legislative Session

9 Days Remain



# House Committee Okays ETF Budget: Next up, Floor Vote

The House Ways and Means Education (HWME) Committee approved a record \$9.3 billion Education Trust Fund (ETF) budget for FY25 along with several other education appropriation bills. As expected, there were some changes from Governor Kay Ivey's recommendations, a normal part of the process each year once bills hit the budget committees. The full House is expected to vote on the budget package on Tuesday.

#### **FY25 ETF Budget**

➤ ETF Budget (<u>H.145 Garrett</u>) - The budget represents a 6.25% increase over current year which includes a 2% across-the-board pay raise for educators (<u>H.146 Garrett</u>). Highlighted below are a few of the budget line items in the HWME substitute:

#### **Increases over FY24:**

- Alabama Reading Initiative \$48.6 million
- Principal Leadership Mentoring \$30 million
- Alabama Numeracy Act \$28 million
- Unmet Needs Grant Program \$5 million
- Special Ed Teacher Stipend \$3 million (\$1,200/per teacher)
- Career Coaches Program \$2.5 million
- Advanced Placement \$2 million
- Gifted Students Program **\$2 million**
- Job's for AL Graduates \$2 million
- LEA At-Risk \$1.6 million
- English Language Learners \$1.3 million
- AL Teacher Mentor Program \$1 million
- Special Ed Preschool Program \$1 million
   Also includes:
- Assistant Principals Instructional Support Units (Full Time Equivalent) as follows:
   Elementary (.50) 300 to 499.99 students
   Middle (1.0) 300 to 499.99 students
- Auxiliary Teacher Grants language added for schools where the percentage of ELL students is more than 10% of the total number of students in the school.

#### **New Line Items:**

- School Choice Program Grants (formerly known as Innovation Grants) **\$5 million**
- Data Literacy \$2.6 million

#### **Supplemental Appropriations**

>ETF Supplemental (H.144 Garrett) - The \$681.2 million supplemental appropriation allocating excess ETF receipts for the current fiscal year (FY24) includes \$51 million for the CHOOSE Act school voucher program to be administered by the Department of Finance and \$20 million for the Lt. Governor's K-12 Capital Grant Program to provide grants to eligible school systems for capital projects, deferred maintenance and technology needs.

Local boards of education and the State Department of Education (SDE) would receive an allocation of **\$651.2 million** as follows:

#### Local Boards of Education - \$109 million:

- Core Adoption Textbooks \$25 million
- School Nurse Salary Matrix \$22.2 million
- New School Buses \$20 million
- ASIMS (PowerSchool) \$13.8 million
- Career Tech O&M **\$10 million**
- Foundation Program \$8.1 million
- Other Current Expense \$7.7 million
   To jump start the hiring of assistant principals in elementary and middle schools for the beginning of the 2024-25 school year.
- Current Units (Charter Schools) \$2 million

#### SDE - \$63.8 million:

- CCR Grants \$17 million
- Summer Reading Camps \$15 million
- Charter School Capital Projects **\$7 million**
- Struggling Readers Program **\$5 million**
- Teachers Liability Trust Fund \$4 million
- Ed Technology Assessment Pilot **\$500,000**
- Various education-related programs, entities and capital projects \$15.3 million

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➤ EAT Supplemental (H.147 Garrett) - \$1 billion
Of this amount, \$726.3 million is allocated for K-12.
AASB is pleased to see the return of the Education Advancement and Technology (EAT) supplemental appropriation which local school boards can use for repairs and maintenance; classroom instructional support; insurance for facilities; transportation; technology and school security. Last year, there was no EAT allocation - a first since 2018.

#### **SSUT: Local School Boards Get a Sliver**

Two bills moving as a linked package, a sales tax holiday for outdoor items (H.257 Lovvorn) and an online simplified sellers use (SSUT) tax increase (H.258 England), were amended and approved by the HWME Committee Wednesday. To lessen the hit to the ETF, the proposed sales tax holiday in H.257 was moved from two weekends per year to one, and expensive motor boats were removed as an item exempt from sales tax. This bill is expected to boost local brick-and-mortar sales tax by encouraging shopping in local stores during the sales tax holiday weekend, although it is estimated to divert around \$14 million annually from the ETF. H.258 would increase SSUT revenue by 1.33% and be distributed as follows: counties (15%), cities (65%) and local school boards (20%). It is estimated to bring in at least \$140 million annually. The bill was amended to allocate 20% of this new revenue directly to local boards of education. Since 2015, local boards of education have been left out of this revenue stream which increases year-over-year, while revenues from local brick-and-mortar sales taxes have continued to decline. While there is still a way to go through the legislative process, this signals positive momentum for local boards of education.

### \* \* WE NEED YOUR VOICES \* \*

These linked bills are expected to be on the House floor for vote Tuesday. Please contact House members and ask them to vote "YES" on this two-bill package.

## **COMMITTEE ACTION**

## **House Education Policy (HEP)**

► HS Diploma Pathways, Homeschoolers in CTE and Private School/Public School Athletics

(H.373 Lawrence) - Workforce Pathways Act , part of the Governor's 'Working for Alabama' package, would create a new high school diploma pathway for students intending to enter the workforce immediately after graduation. The bill was amended to specify students would have to take the state's assessments for math, science and reading and be included in a school's academic achievement grade. Language also was added requiring the SDE to conduct a comprehensive review of the state's graduation requirements and compile a new set of requirements that may include multiple pathways to earn a high school diploma.

(<u>H.278 DuBose</u>) - **Homeschoolers in CTE** - would authorize homeschool students to enroll in public school career and technical education (CTE) programs. **AASB** 

worked closely with the bill's sponsor, Rep. Susan DuBose, on an amendment to ensure alignment with Alabama's existing process for enrolling non-traditional students in public school programs and counting them in a school's average daily membership (ADM) which is already being done for homeschool students participating in public school athletics.

(<u>H.91 Stubbs</u>) - **Private School/Public School Athletics** - would allow "cross play" between public and private schools regardless of athletic association affiliation.

#### **Senate Education Policy (SEP)**

► Compensation Increase for School Boards
(H.83 Estes) - AASB's priority bill was approved by the Senate Committee, bringing it one step closer to final passage. This bill would increase 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.

#### **PUBLIC HEARINGS**

Senate Finance & Taxation Education (SFTE)

► Tax Credits

(S.223 Weaver) - Rural Hospital Tax Credit - would establish a tax credit for individuals and entities to offset their tax liability by donating to rural hospitals. As currently written, the bill would divert up to \$80 million from the ETF. The Senate sponsor noted a substitute bill is being drafted that would decrease the hit to the ETF to \$30 million and add a four-year sunset provision. "We are not opposed to rural hospitals; we are opposed to any legislation that would decrease tax receipts to the ETF," said AASB Director of Governmental Relations Ada Katherine van Wyhe.

► Education Employees' Worker's Compensation (S.278 Givhan) - would establish a new education employee worker's compensation fund and administrative agency. Committee members were told monies would have to be appropriated to operate this fund, with an estimated annual cost of \$15 million to the ETF, although there are concerns it could cost significantly more. The committee did give the bill a favorable report, but AASB is working with the Alabama Education Association (AEA), partner education groups and the State Finance Department to address some needed changes prior to a Senate floor vote.

#### In House Committee Next Week...

(S.157 Orr) - Teachers Bill of Rights - would make it easier for a teacher to remove a student from the class-room for disorderly conduct and creates an appeal process for teachers to the local board if they do not agree with their principal's course of disciplinary action for a student. AASB is working on an amendment with partner education groups to better align student discipline processes and procedures with existing local codes of conduct as well as ensure continuity with another bill, (H.188 Collins), moving through the legislature that would create a uniform system of procedural due process for student discipline.







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