



House Budget and Research Office

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2020 SESSION: EDUCATION BUDGET AND LEGISLATIVE HIGHLIGHTS

BUDGET HIGHLIGHTS

K-12 Education

- K-12 education is the largest single expenditure in the budget, totaling \$9.6 billion, or 44.1% of the state general funds budget. With a revised revenue estimate reflecting an 8% decline to state general fund revenues, it is nearly impossible to balance the state's budget without a reduction to K-12 education.
- The Quality Basic Education (QBE) formula and corresponding grants are reduced by \$950.2 million to reflect a temporary decline in state revenues. Other enrollment-driven grants are also impacted, including reductions of \$6.1 million to the Georgia Network for Educational and Therapeutic Supports (GNETS), \$4.2 million to the Preschool Disabilities Services, and \$155,195 to Tuition for Multi-handicapped.
- Due to the reduction in the QBE formula, Local Five Mill Share (LFMS) is capped at \$2.058 billion to fulfill the 80% state/20% local requirement. The original FY 2021 formula calculation for LFMS was \$2.138 billion, therefore, the cap provides school systems an additional \$79.5 million.
- The FY 2021 budget reflects \$457 million in federal funds for the Elementary and Secondary School Emergency Relief Fund that was authorized by the 'Coronavirus Aid, Relief, and Economic Security (CARES) Act'. Of the total funds, \$411.5 million was sent directly to school districts based on Title I formula allocations. Of the remaining \$45.7 million retained by the Department of Education, some funding has already been allocated, including \$1.5 million to Youth Camps, \$2 million to Georgia Virtual School, \$324,091 to Residential Treatment Facilities, and \$1.1 million to state schools. The State School Superintendent indicated the remaining balance would be sent to districts based on need.
- The conference committee version of the budget provides the Department of Education with \$141.7 million for enrollment growth and training and experience. The majority of funding is for training and experience, reflecting 1,438 new teachers and corresponding health insurance costs. The budget also includes \$32.7 million for growth in charter system grants and State Commission Charter School supplements. In the bond package, \$335.5 million in new bonds are provided for local school construction, renovations, and additions statewide.

- No reductions are made to Equalization or Sparsity grants. HB 793 provides an increase of \$32.1 million in growth to Equalization grants, providing additional funds for school systems that have property tax wealth per FTE below the statewide average. The budget also reflects \$1 million in growth to Sparsity grants, providing additional funds for schools that have a student population smaller than the base school size and, therefore, do not earn enough QBE funding for personnel and operations.
- The FY 2021 budget does not reduce funding for the Nutrition and Pupil Transportation programs, both of which have been instrumental in ensuring students have access to healthy meals during the COVID-19 pandemic. HB 793 includes \$927,142 in additional formula funds for pupil transportation based on the formula implemented in 2019 that recognizes student growth. The budget also includes \$20 million in the bond package for school bus replacement and \$1.25 million to incentivize the purchase of alternative fuel school buses; for FY 2020, DOE approved the purchase of 176 propane buses and 2 electric buses in 15 counties across Georgia.
- The final FY 2021 budget significantly softens the reduction to state schools, from \$2.05 million in the governor’s recommendation to \$500,000 in the final budget. State schools provide direct instruction to hearing- and visually-impaired students in Georgia. State schools also receive \$3 million in the bond package for maintenance and rehabilitation priorities at each of the three schools.
- The budget, as agreed in conference committee, softens the reduction to Residential Treatment Facilities due to declining enrollment. The reduction adjusts from \$1.15 million in the governor’s recommended budget to \$324,091 in the conference committee version of the budget. The softened reduction, as well as ‘CARES Act’ funding granted by the department, allows time to restructure educational personnel based on fewer students.
- HB 793 provides \$150,000 for a program specialist at each youth camp. Youth camps also receive \$5 million in bond funds for the renovation of the Daisy Lewis Cabin at Camp John Hope and the renovation of the Mobley Hall at the Georgia FFA-FCCLA Center.
- HB 793 includes an additional \$303,780 for projected growth of one AP exam for free and reduced-price lunch eligible students, and one science, technology, engineering, and math (STEM) exam per student.

Early Childhood Education

- Reflecting continued growth in lottery revenues, the FY 2021 budget maintains full funding for Georgia Pre-K, including 84,000 slots and a full school calendar. The budget also includes \$1.6 million for teacher supplements, which is comparable to training and experience in QBE; the supplement provides pay parity between pre-k and k-12 teachers.
- The Fiscal Year 2021 budget reflects \$144.5 million in federal funds for the Child Care and Development Block Grant as authorized by the ‘CARES Act’. The Department of Early Care and Learning (DECAL) has determined most of the funding will go to childcare providers to recover

lost revenues in at least two phases. In the first phase, to stabilize the market, \$50 million will be sent to all childcare providers based on February enrollment data. The second phase will include the Carl Vinson Institute of Government conducting a survey of childcare providers to collect information on how phase one funds were spent and to determine the additional needs of providers to create targeted payments. Beyond stabilizing the market, the funding is also to be used for cleaning and sanitizing, to maintain or resume operations, and provide child care assistance to essential workers.

- The budget reflects funds for a State Infant and Early Childhood Mental Health Coordinator position at DECAL, as recommended by the House Study Committee on Infant and Toddler Social and Emotional Health (2019 Session). The position will work collaboratively with other state agencies that provide behavioral and mental health services to children and collaborate to expand those services to the state's youngest population, children ages zero to three, while recognizing the importance that prevention, early intervention, and treatment of behavioral and mental health issues have on a child's future potential.
- The study committee also heard positive results regarding inclusion and behavior specialists at DECAL that work with childcare providers to promote a positive preschool classroom environment. The FY 2021 budget includes \$160,000 for two behavioral and classroom support specialists to work exclusively with lead and assistant teachers in Georgia pre-k classrooms.

Other Education Budget Highlights

- HB 793 restores funds for one filled ethics investigator position and redirects funds for an ethics paralegal position at the Professional Standards Commission in order to address the backlog of educator ethics investigations in Georgia.
- The final version of HB 793 reflects a reconstituted budget for the Governor's Office of Student Achievement (GOSA) that is aligned to budgetary and statutorily-assigned responsibilities. GOSA's budget now includes \$1.7 million for the Master Teacher Leadership Academy; \$1.6 million for the Governor's Honors Program; \$1.5 million for Growing Readers; \$1.8 million for GA Awards; \$900,175 for research and academic audits; and \$1.3 million for personal services and operating expenses.

LEGISLATIVE HIGHLIGHTS

Charter Schools

- HB 755 (Rep. D.C. Belton, 112th) amends O.C.G.A. 20-2-2068.1(c.3) relating to charter school funding to require local boards of education to provide itemized allotment sheets to local charter schools. Under the provisions of this bill, a local board of education must provide each local charter school an itemized allotment sheet itemizing the state, local, and federal allocations for the upcoming fiscal year within 45 calendar days after receiving its preliminary allotment sheet from the Department of Education. If a local board of education determines an

adjustment must be made to the allocation to a local charter school, the local board of education must provide the local charter school with 30-days' notice before the allocation is amended.

House Bill 755 further amends O.C.G.A. 20-2-2131 relating to intradistrict enrollment of students attending schools outside of their resident school within the school district.

Information relating to the acceptance of intradistrict students must be posted on the website of the local school system in a prominent location, easily visible to parents.

- HB 957 (Rep. Jan Jones, 47th) amends O.C.G.A. 20-2-880 to clarify that teachers at charter schools are eligible to participate in state health insurance plans. Section II of House Bill 957 amends O.C.G.A. 20-2-2066 to allow charter school governing boards to require proof of residency either at the time of application or enrollment. Under the provisions of this bill, the term a State Charter Schools Commission member serves will increase from a two-year to a four-year term. HB 957 further creates a new Code Section 20-2-2088.1 to require closing state charter schools to retain records for one year so educational records can be forwarded to former students' new schools. After one year, the state charter school will transfer all records to the State Charter Schools Commission.

Performance Evaluations

- HB 86 (Rep. Tommy Benton, 31st) amends O.C.G.A. 20-2-989.7 to allow teachers to appeal a summative personnel evaluation of 'Unsatisfactory' or 'Ineffective' to an independent third party or an administrator in the system office. Local units of administration must develop a complaint review policy for teachers to appeal an evaluation by July 1, 2021, and submit the policy to the Department of Education.
- SB 431 (Sen. John Wilkinson, 50th) amends O.C.G.A. 20-2-210, relating to annual performance evaluations, to allow for an on-time graduation rate. The on-time graduation rate will be a parallel graduate rate that only includes the four-year cohort of students that attend a school continuously the previous four years.

Dual Enrollment

- HB 444 (Rep. Albert Reeves, 34th) renames the 'Move on When Ready Act' as the 'Dual Enrollment Act'. House Bill 444 limits the number of credit hours the dual enrollment program will fund to 30 hours. The 30-hour cap applies to current students who have taken 18 course credit hours or less. Students who have taken more than 19 hours may receive an additional 12 hours. Under the provisions of this bill, grade-level participation is limited to 11th and 12th graders; however, to continue producing a skilled workforce, 10th grade students may participate in dual enrollment courses provided by the Technical College System of Georgia. Furthermore, 10th grade students who have obtained a Zell Miller Scholarship score on the ACT or SAT or a ninth grader enrolled in dual credit courses may take core courses at a postsecondary institution during the student's 10th grade year.

HB 444 limits the type of course allowable under the 'Dual Enrollment Act' to core subjects. An eligible core course is an English, math, science, social studies, or a foreign language as calculated for HOPE purposes according to O.C.G.A. 20-2-157. There are 2,613 eligible core courses and 4,592 CTAE or career technical agricultural education courses available under O.C.G.A. 20-2-157.

Other Education Legislation

- HB 855 (Rep. Marcus Wiedower, 119th) creates O.C.G.A. 20-2-152.2 relating to the evaluation of foster care students to determine whether the student has been exposed to trauma which adversely affected the student's educational performance or behavior. No later than August 1, 2021, the Department of Education will provide guidance to local school systems on procedures to immediately and deliberately evaluate foster care students when the student enrolls in the school.
- SB 68 (Sen. Freddie Sims, 12th) increases training requirements for local boards of education by adding financial management training, and it requires all previous annual training requirements to be completed before becoming eligible for re-election. Newly-elected board members will receive guidance and training specific to his or her local school system's most recent audit findings and the risk status of the local school system.

The Department of Audits and Accounts shall designate local school systems with irregularities or budget deficits for three or more consecutive years as high-risk local school systems, and school systems with one year to two consecutive years of irregularities or budget deficits as moderate-risk local school systems. The local school superintendent must submit a corrective action plan to the Department of Education within 120 days of receiving notice of the risk designation from the local board of education. The local school superintendent of a high-risk or moderate-risk local school system is required by Senate Bill 68 to complete financial management and financial governance training.

SB 68 requires specific contractual obligations to be made relating to maintaining or achieving financial stability of the local school system when entering into a flexibility contract with the State Board of Education. If a system is designated as a high-risk local school system, there must be a written corrective action plan in place.

The Department of Education will monitor the financial stability of each local school system and provide support and guidance to high-risk and moderate-risk local school systems.

Part II of Senate Bill 68 amends multiple provisions of the Code relating to the Chief Turnaround Office by moving the oversight of turnaround schools from the State Board of Education to the Department of Education.

Part III of Senate Bill 68 amends O.C.G.A. 20-2-989.7 to allow teachers to appeal a summative personnel evaluation of 'Unsatisfactory' or 'Ineffective' to an independent third party or an administrator in the system office. Local units of administration must develop a complaint review policy for teachers to appeal an evaluation by July 1, 2021, and submit the policy to the

Department of Education.

Part IV amends O.C.G.A. 20-2-58 by requiring local boards of education to hold a public comment period during every regular monthly meeting. Local boards of education shall not require individuals to give more than 24-hours' notice before the meeting to participate in the public comment period.

- SB 367 (Sen. P.K. Martin, 9th) amends O.C.G.A. 20-2-281, relating to assessments, by reducing the number of state assessments given to students. SB 367 eliminates the fifth grade end-of-grade social studies assessment and reduces the number of end-of-course assessments in high school from eight to four. School systems must administer the state required end-of-grade assessment for grades three through eight within 25 school days of the last day of school. The Department of Education is authorized to conduct an analysis of locally implemented assessments and provide guidance to eliminate redundant assessments to improve student achievement.
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- SB 430 (Sen. William Ligon, 3rd) creates O.C.G.A. 20-2-319.5, which allows home school or private school students to enroll in a college and career academy in the student's resident school system if space is available. The State Board of Education shall create rules and regulations to effectuate the provisions of the Code section. The local board of education will earn FTE funds for each student participating in one or more courses at a college and career academy under the Code section that has a charter with the local board of education.