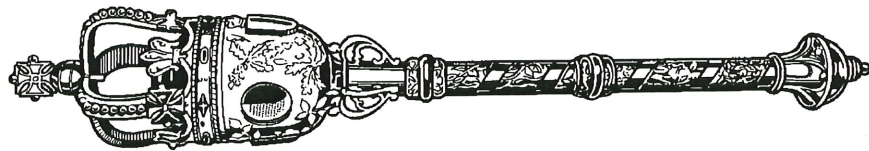


*Report of the
House Appropriations
Subcommittee*

on

*Elementary & Secondary
Education*



*House Bill 29
&
House Bill 30*

February 18, 2018

REPORT OF THE SUBCOMMITTEE
on
ELEMENTARY & SECONDARY EDUCATION

Mr. Chairman and Members of the Committee:

The Elementary and Secondary Education Subcommittee is pleased to put before you a series of recommendations that provide a two-year net increase of \$80.4 million GF and \$17.6 million NGF above the current introduced budget. In total, the Subcommittee's recommended public education budget totals \$16.3 billion for the next biennium.

Mr. Chairman, our children are our highest priority, and K12 continues to be the single largest financial investment in the budget and comprises almost 30% of the general fund spending.

We believe that our set of budget recommendations further demonstrate our commitment to public education and work in concert with: (1) supporting our teachers, (2) promoting greater choice and flexibility for schools, and (3) providing solid steps in assuring high quality in early childhood education.

Now, Mr. Chairman, I'd like to provide the Committee with several major highlights of our recommendations.

First, as many of you know, this even-year Session coincides with the rebenchmarking cycle for funding our schools. In summary, the introduced budget, HB30, reflects a total rebenchmarking cost of \$481.0 million which is attributed to updating the SOQ, incentive, categorical and all incentivized-based program accounts.

In addition to the technical rebenchmarking updates, the introduced budget reflects \$34.7 million in net new spending for a number of policy actions: the largest line item was for a partial year 2.0% salary increase for teachers and support staff.

Mr. Chairman, the Subcommittee's work has focused on making our teachers a priority in the budget, and as such, are recommending \$36.4 million to advance the pay increase to July 1, 2019, adding an additional five months of pay into the second year budget.

Further, we are recommending to continue the practice of allowing school divisions to receive the state's funding as long as they provide at least a 2.0% salary increase during the two years of the biennium. We believe that this additional flexibility will help lessen financial stress on localities.

As we look at the total spending within our schools, a recent JLARC report showed that over 65.1% is focused on classroom instruction.

Resources in the classroom make a positive difference for teachers and students. The Subcommittee recommends providing a net increase of \$91.5 million to increase the Supplemental Lottery Per Pupil Amount up to a revised total \$239.4 million in the second year, which is 40% of the revised Lottery revenue total of \$598.4 million: Mr. Chairman, we are extremely pleased to have reached one of the Committee's goals for public education that was set out under your leadership.

School divisions receive this funding with 'no strings attached' and individually determine which specific budgetary need is a priority for them.

Next, Mr. Chairman, we've continued discussions with our colleagues from southwest Virginia and other areas around the state with small school division enrollments. Specifically to the point, these divisions are more adversely impacted by declining enrollments due to their small size.

In keeping with the initiative we brought before the Committee last year, the Subcommittee is proposing to add funding for a Small School Support Fund supplement. Eligible school divisions would be those with less than 10,000 students and have realized a 5% decline in membership over the last 5 years. In total, the supplement is estimated to cost \$6.1 million and would be reflected in the first year.

Partnerships and working together are key components for building on the successes in public schools and making all of our students ready for endeavors toward a career pathway or continuation in post-secondary education experience.

The Subcommittee has included \$2.3 million toward enhancing and improving the Virginia Preschool Initiative whereby the Department of Education, UVA's Center for Advanced Study of Teaching and Learning and a number of stakeholders (VECF, E3, Voices for Va Children) will work together to develop and implement a plan that ensures high quality experience for our preschools. Research-based evidence has shown that a quality Pre-K program readies a child for kindergarten and sets a student on a solid path for academic success.

To ensure that we are getting the successfulness from our VPI program as we expect, we are also including \$550,000 to expand the Virginia Kindergarten Readiness Program assessment into every kindergarten class.

The assessment results will be used to improve any of the four domains taught in preschool (literacy, math, social-emotional and self-regulation). By addressing issues early on, those efforts help to minimize those same issues that may become larger, more costly problems later in school such as grade retention and disruptive behaviors.

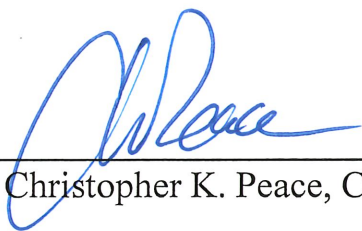
In closing, the Subcommittee's recommendations include a number of budgetary decisions supporting Virginia's outstanding school system

Mr. Chairman, I would like to extend my thanks to my other subcommittee members: Delegates Landes, Knight, Rush, Pillion, McQuinn, Aird and Bell.

Finally, Mr. Chairman, I hope it will be the pleasure of the full Committee to adopt our recommendations.

Now, I'll ask our Committee staff, Susan Hogge to explain each of the Subcommittee's recommendations in more detail.

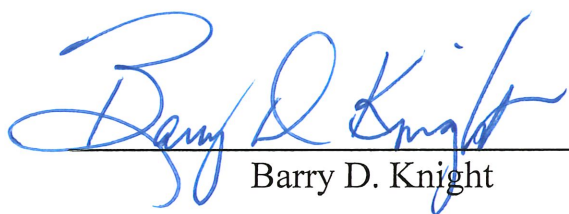
Respectfully Submitted by the House Appropriations Subcommittee on
Elementary & Secondary Education:



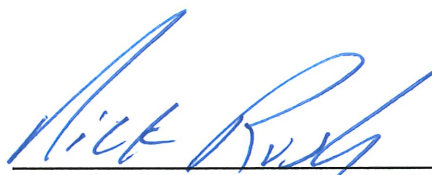
Christopher K. Peace, Chairman



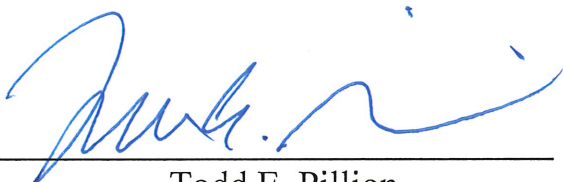
R. Steven Landes



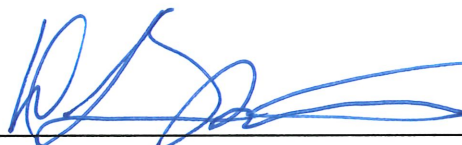
Barry D. Knight



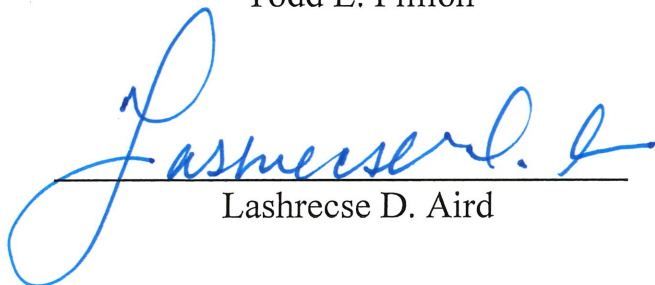
L. Nick Rush



Todd E. Pillion



Delores L. McQuinn



Lashrese D. Aird



John J. Bell

Subcommittee Budget Amendment Recommendations

<u>Amendment</u>	<u>HB 29 - FY2018</u>		<u>2018-20 BIENNIAL TOTAL</u>		
	<u>GF</u>	<u>NGF</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
	<u>PUBLIC EDUCATION</u>				
<u>HB 29</u>					
<u>Direct Aid to Public Education</u>					
Technical Correction: K-3 Class Size Reduction	\$442,039				
Technical Correction: Governor's Schools Enrollment	(\$51,336)				
Technical Correction: Regional Alternative Education Language					
Lottery Revenue Update - NGF	(\$3,000,000)	\$3,000,000			
<u>HB 30</u>					
<u>Department of Education, Central Office Operations</u>					
Virginia Kindergarten Readiness Program			\$550,000		
Virginia's Tiered Systems of Supports			\$500,000		
New Environmental Education Initiative			(\$500,000)		(2.0)
New Web-Based Licensure Application and Intake Process			(\$1,105,000)		
New Advisory Council for Digital Citizenship			(\$150,000)		
Supplant GF for Federal Funding for Office Operations			(\$2,008,670)		
eMediaVA			(\$400,000)		
Defer School Performance Report Card			(\$300,000)		
<u>Direct Aid to Public Education</u>					
Supplemental Lottery Per Pupil Allocation			\$62,407,629	\$17,580,000	
Provide Teacher Pay Raise July 1, 2019			\$36,392,283		
Small School Division Enrollment Loss			\$6,112,706		
VPI - Classroom Assessment Plan			\$75,000		
VPI - Classroom Observations			\$700,000		
VPI - Professional Development & Training			\$1,000,000		
National Board Certification Program			\$222,484		
CodeRVA Regional High School			\$52,000		
Power Scholars Academy - YMCA BELL			\$500,000		
Vision Screening Grants			\$782,000		
New Cyber Camps			(\$960,000)		
New Governor School Funding Methodology			(\$2,561,108)		
New Principal Retention & Recruitment Bonuses			(\$1,000,000)		
New Project Discovery			(\$200,000)		
New At-Risk Add-On Supplement			(\$7,134,241)		
New Elem Schools < 300 ADM			(\$7,656,937)		
Adjust Non-Participation for VPI			(\$484,960)		
Technical Correction: SPED Regional Tuition			(\$4,388,417)		
Lottery Revenue Transfer Language			Language		
Public Private Mixed Delivery PreK Grant			Language		
Wolf Trap Model STEM Program			Language		
Community Schools			Language		
Clarify Language for VPI Balances			Language		
Expand Use of At-Risk Add-on Program			Language		
Total: HB 29/30	(\$2,609,297)	\$3,000,000	\$80,444,769	\$17,580,000	(2.0)