

State Education Policy in 2012: A Legislative Overview



Daniel G. Thatcher, JD Education Program

EXHIBIT C – **Meeting Date: 01-18-12** Legislative Committee on Education Document consists of 37 pages.

Entire Exhibit provided.

Top Issues in 2012



As states wrestle with the fifth consecutive year of budget gaps, they will look to education – both K-12 and higher education – for additional cuts. 2012 will also be important because of key federal education actions that will impact states.

STATE LEVEL:

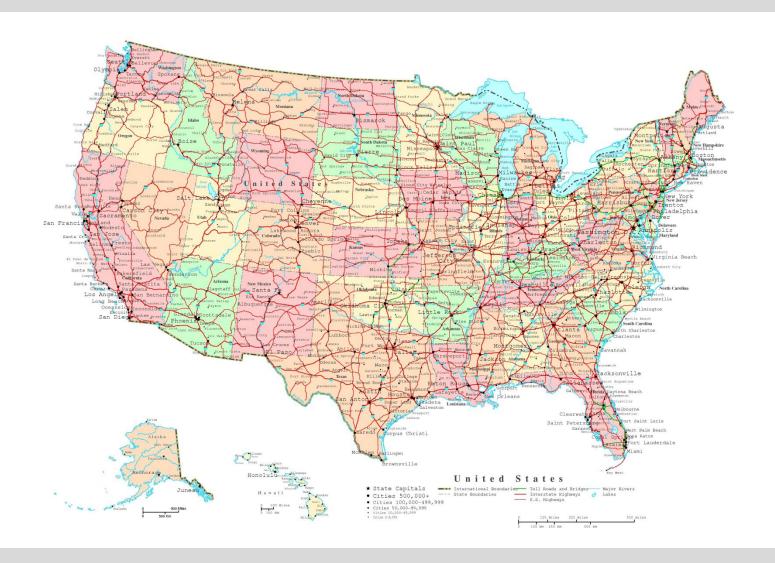
- K-12 & Higher ED on shoestring budgets...still
- States to consider reallocation of scarce resources for K-12
- States to consider giving institutions of higher education greater autonomy (Michigan model)

FEDERAL LEVEL:

- Reauthorization of ESEA on the horizon/impact on states
- NCLB waivers & flexibility
- Student financial aid and student debt funding/changes

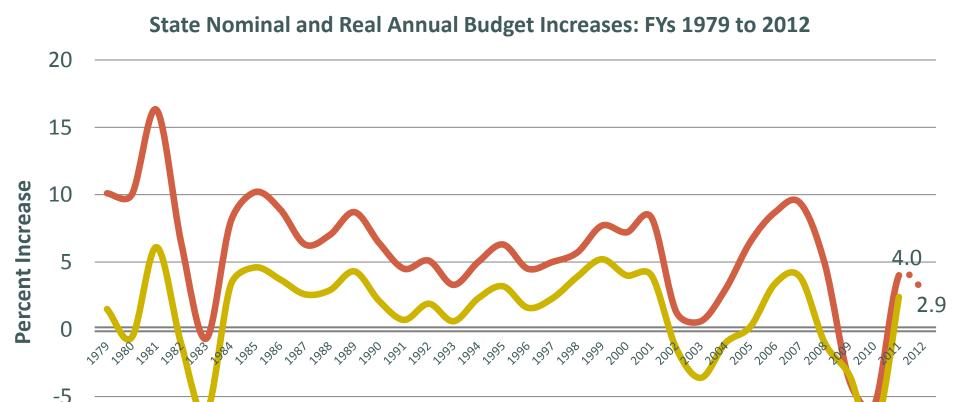
State Level





State Budget Impact: NASBO





-Real Increase

Nominal Increase

-10

State Budget Impact: NASBO



Regional Percentage Change in State Elementary and Secondary Education Expenditures, Fiscal Years 2010 and 2011

	FISCAL YEAR 2009 TO 2010			FISCAL Y	FISCAL YEAR 2010 TO 2011			
Region	STATE FUNDS	FEDERAL FUNDS	ALL FUNDS	STATE FUNDS	FEDERAL FUNDS	ALL FUNDS		
New England	-4.10%	38.60%	3.20%	0.90%	-5.50%	-2.50%		
Mid-Atlantic	-4.1	59.4	4.1	1.1	7.8	2.3		
Great Lakes	3.4	14.8	5.6	-2.4	1.2	-1.6		
Plains	-13	62.3	-2.9	8.9	-2.4	6.4		
Southeast	-6.1	46	2.9	2.6	9.2	4		
Southwest	-13.1	22.4	-6.1	-0.2	-11	-3		
Rocky Mountain	-0.1	11.5	1.2	-4.8	15.7	-2.3		
Far West	-4.9	-14.5	-10.6	2.7	7.6	6.9		
ALL STATES	-5.10%	25.20%	-0.60%	1.20%	3.20%	2.10%		

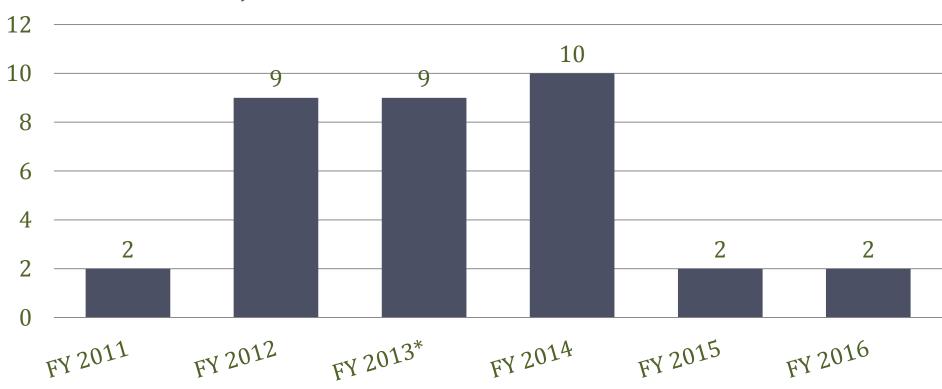




State Budget Impact: NCSL



Projected Return to Peak Revenue Collections



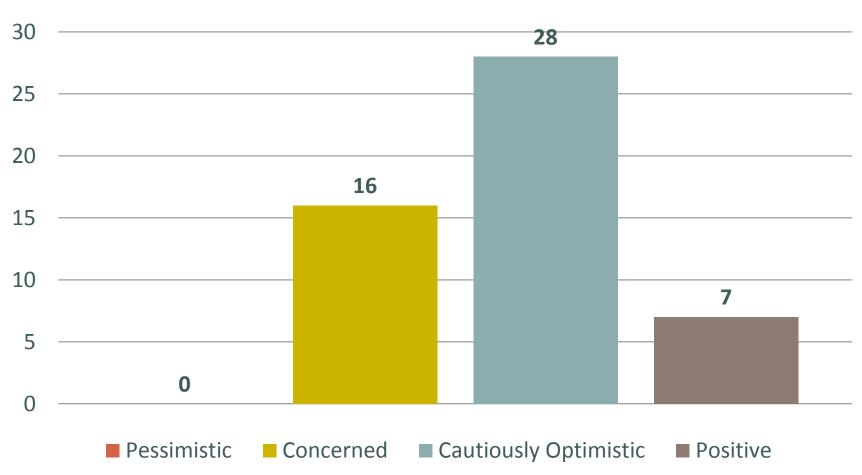
N/A= North Dakota, N/R or unknown = 16 states

^{*} Includes Puerto Rico

State Budget Impact: NCSL



Revenue Outlook for the Remainder of FY 2012



Source: NCSL State Budget Update: Fall 2011.

State Budget Impacts: NCSL

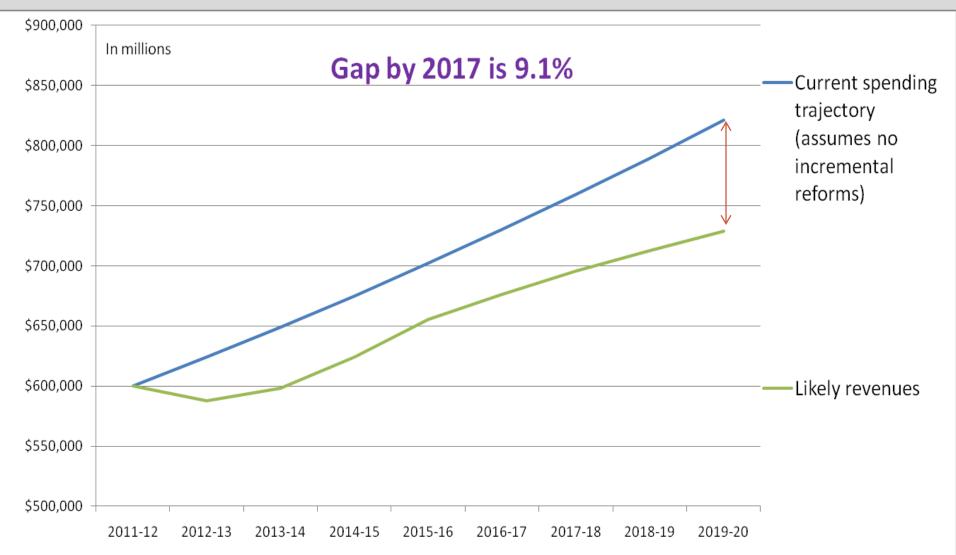


Continued Difficulty for State K-12 and Higher Education Budgets:

- States' K-12 education budgets are growing, but only to make up for loss of one-time funds (ARRA), not because of growing revenue
- FY2011 general fund expenditures increased by 4.6%
- FY2012 general fund expenditures are projected to increase by 2.7%, less than the rate of inflation and the rate of population growth
- Local governments, which rely heavily on property tax revenues, are in a more difficult fiscal situation
- Previously, states made reductions in non-core educational services (all day kindergarten, afterschool programs, etc.)
- FY2012 marks first year of significant reduction in core instructional services (classrooms will be affected)

Reallocation of Resources





SOURCE: Marguerite Roza, PhD, University of Washington; NCSL presentation, Nov. 2011, available soon at: www.ncsl.org.

Reallocation of Resources



- Oregon moving toward an innovative approach thru SB 909: The Oregon Education Investment Board (i.e., P-20 council).
 - Seamless Education System
 - Local Control ("tight-loose" accountability system)
 - Outcome-Focused Investment
 - Early Childhood Investment
 - Individualized Education
 - (see handout)

Resource Reallocation: Marguerite Roza



Roza believes state finance formulas can be levers for change. She suggests the following:

DO:

- Fund students and student types
- Ensure portability, flexibility
- Promote innovations in productivity
- Foster new schooling options near failures
- Eliminate regulations on time and process
- Measure productivity
- Build information systems

DON'T:

- Fund processes, or inputs (including staffing)
- Perpetuate hold harmless provisions
- Protect small districts
- Continue funding failing schools
- Perpetuate unsustainable benefits structures

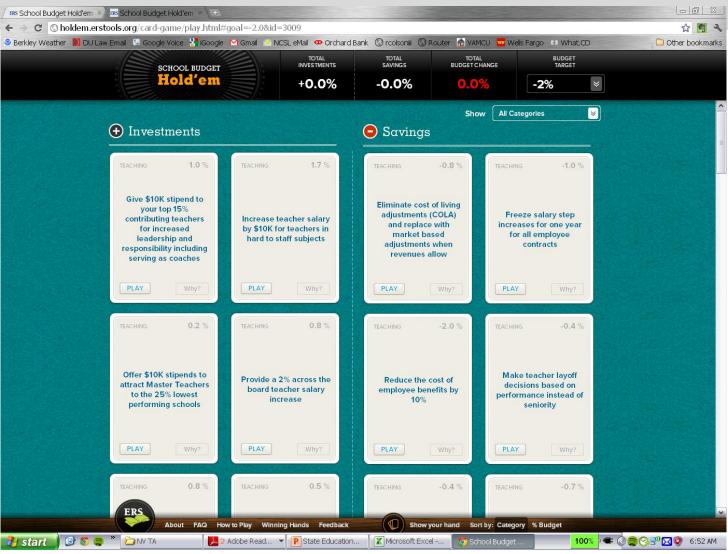
Reallocation of Resources: Karen Baroody



- Karen Baroody at NCSL's Fall Forum:
 - Restructure one-size fits all job structure and compensation (move from step-and-lane)
 - Optimize existing time to meet student and teacher needs
 - Rethink standardized class size model to target individual attention
 - Shift special education spending toward early intervention and targeted individual attention
- Play School Budget Hold'em at http://erstrategies.org/.







SOURCE: http://holdem.erstools.org/card-game/index.html

Higher Ed Funding



- Higher education funding disproportionately reduced (no state constitutional guarantee)
- Federal stimulus exhausted
- Michigan model ("privately financed, publically affiliated")
- Funding volatility reduction efforts

Teacher Evaluation



Why teacher evaluations:

- Federal funding incentives (RTTT)
- Focused attention on teacher effectiveness
- Teacher compensation reforms
- Reallocation of state and district resources

Teacher Evaluation: SREB



Types of teacher evaluation reforms:

- Outcome-based performance
- Observations
- Student perceptions
- Teacher knowledge
- Teacher working conditions
- Other performance data

Federal Level





ESEA Reauthorization

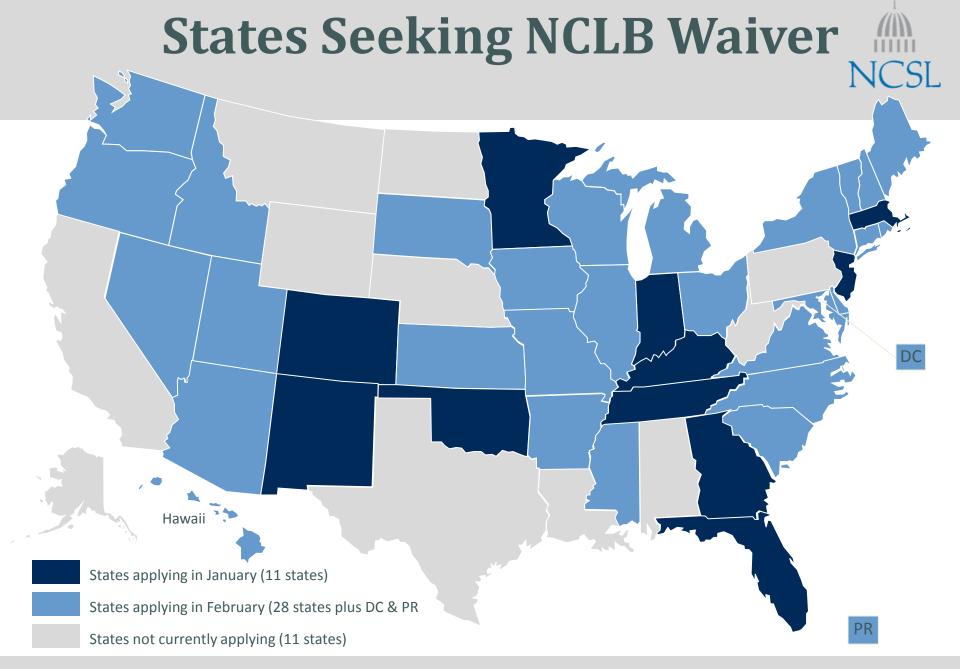


Status:

- Senate bill passed out of committee
- In the House, bipartisan discussions broken off
- Sen. Harkin won't move senate legislation until he sees House bipartisanship

Likely new ESEA provisions:

- Student Success Act
- Encouraging Innovation and Effective Teachers Act



NCLB Waivers



- Many of the elements in the waiver are part of RTTT
- Waivers scrap AYP while largely keeping the current testing schedule of NCLB in place
- States can craft their own accountability systems under waivers, but must set annual goals for student achievement
- 21 Peer Reviewers will vet applications
- If ESEA reauthorization happens eventually, changes made/reforms adopted to obtain a waiver could become irrelevant

Higher Education: Pell Grants



Omnibus spending bill signed into law on December 23:

- Maintains the maximum grant at \$5,500 for the 2012-2013 academic year
- Reduces the maximum income allowable to qualify for a maximum grant under the "automatic zero" expected family contribution calculation from \$32,000 to \$23,000
- Requires recipients to have a high school diploma, GED, or to have been homeschooled
- Reduces the number of years a student can receive Pell Grants from nine to six
- Requires that a student be eligible for 10 percent of the maximum grant instead of five percent to receive the minimum grant

Higher Education: Federal Student Loans



Omnibus spending bill signed into law on December 23:

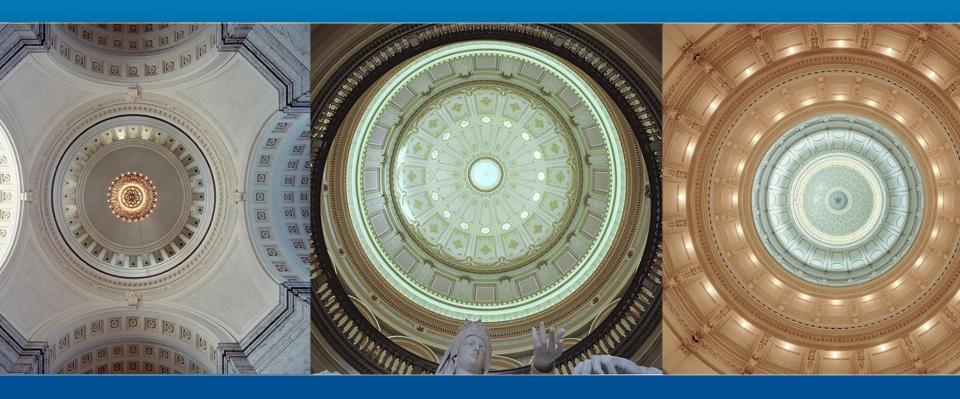
- Suspends the grace period interest-free benefit on subsidized Stafford loans for loans issued between July 1, 2012 and July 1, 2014
- Makes technical changes to interest subsidies paid to private lenders who hold loans issued between 2000 and 2010 under the discontinued Federal Family Education Loan Program

Questions?



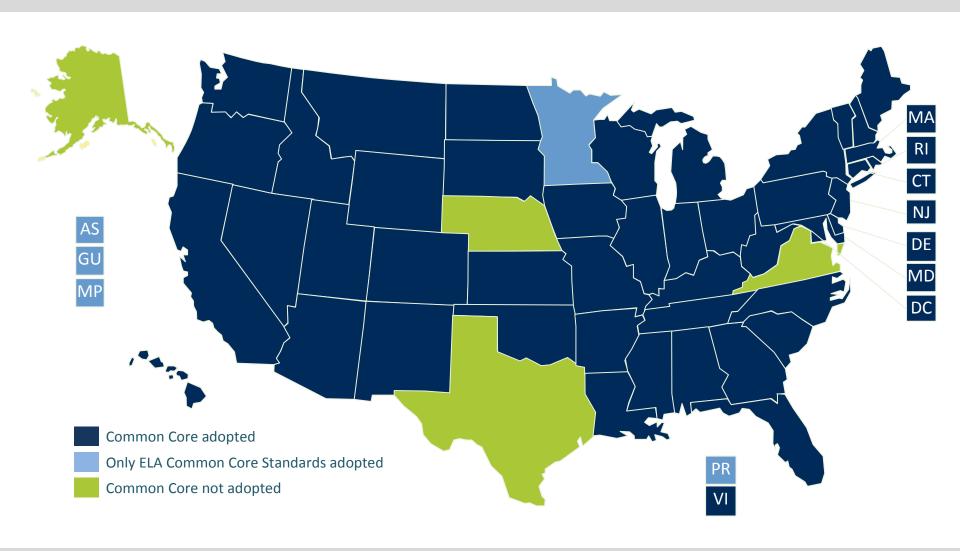


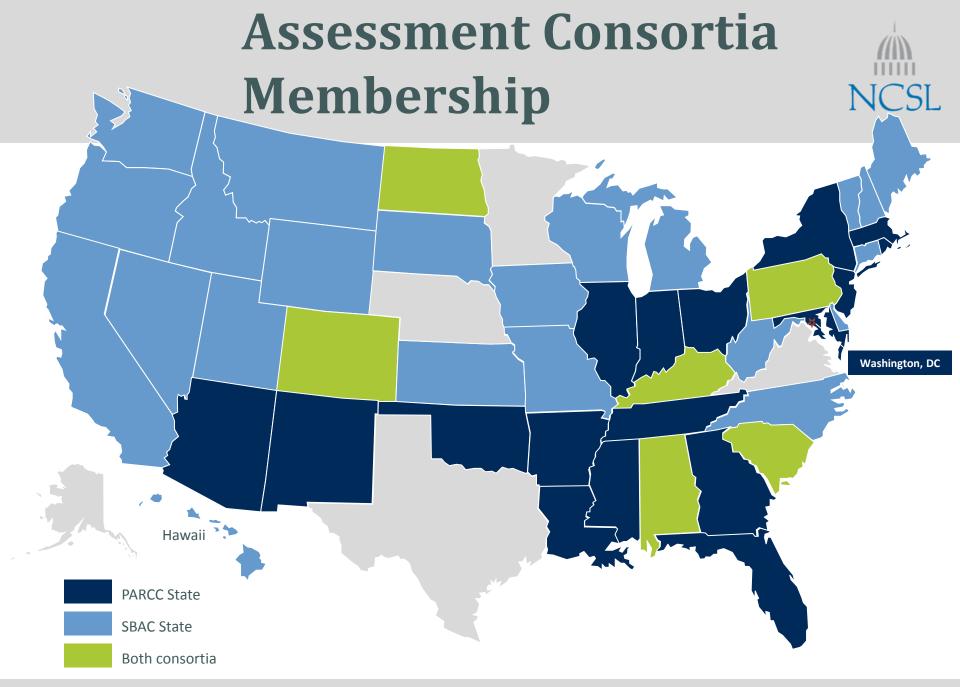
State Efforts to Implement the Common Core State Standards



State Adoption of CCSS

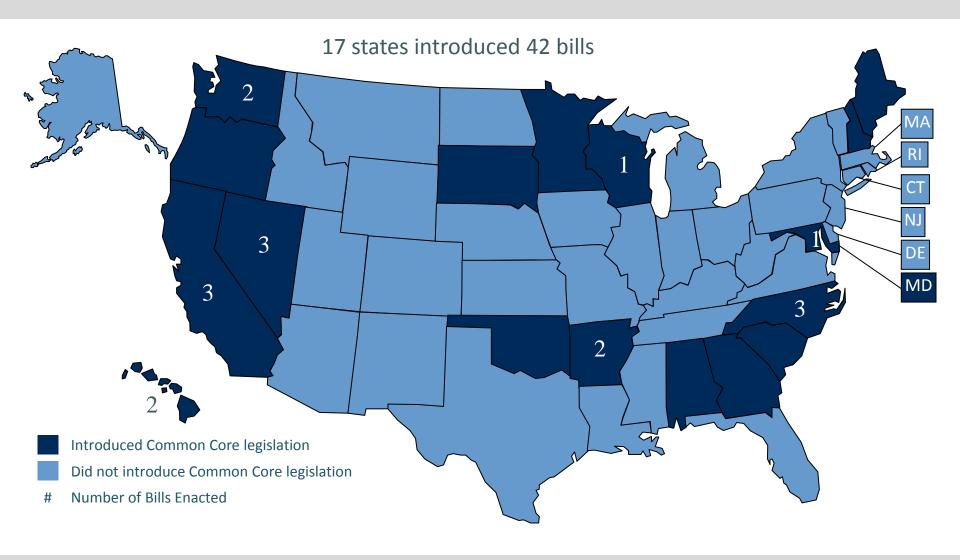






2011 CCSS Legislation

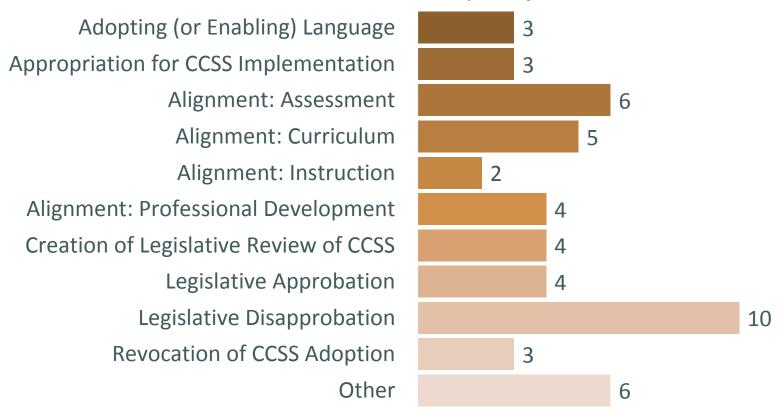




CCSS: 2011 Legislative Overview

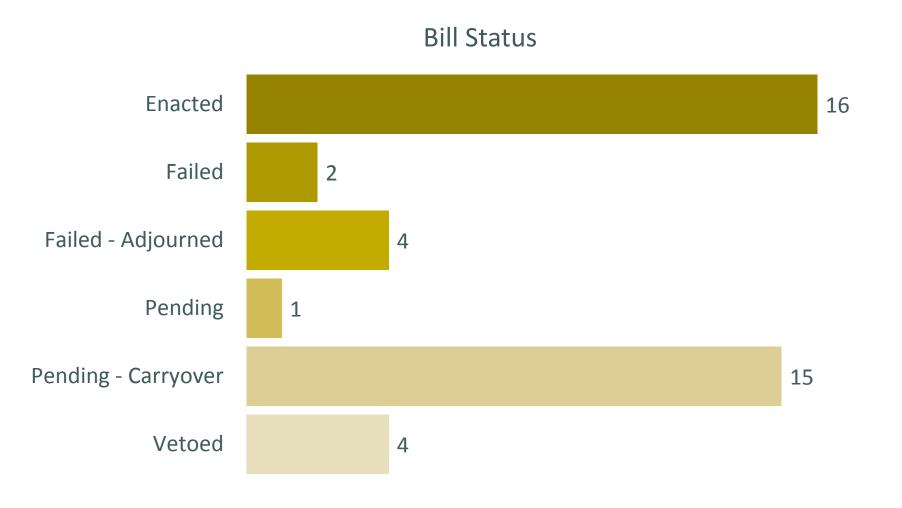


Number of Bills Filed by Subject Matter



CCSS: 2011 Legislative Overview

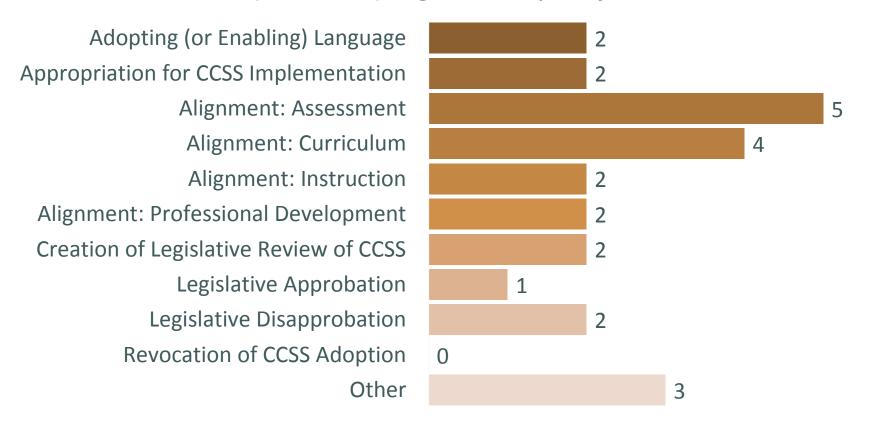




CCSS: 2011 Legislative Overview



Enacted (or Vetoed) Legislation by Subject Matter



CCSS Implementation Timeline



	Stages of the RTTT Reforms	Standards	Curriculum/Ins truction	Professional Development	Assessment
1.	Preparation:				
	• 2010-11				
	• 2011-12	X	X	Χ	Υ
	• 2012-13	X	X	Χ	Υ
	• 2013-14	X	X	Χ	Υ
2.	Administration:				
	• 2014-15 (Spring 2015)				Z
	• 2015-16 (Spring 2016)				
3.	Reporting of Results:				
	 Post-Spring 2015 (Fall 2015) 				Z
	• 2015-16 (Spring 2016)				

X – Transition to the Common Core State Standards and related curriculum/instruction and professional development activities

Y – Transition to the aligned Common Assessments and related data systems activities

Z – First administration of the Common Assessments (Spring 2015) and reporting of the results (Fall 2015)

Districts' Progress



Center on Education Policy (CEP):

- Surveyed districts one year ago. Findings include:
 - 2/3 of districts have begun to develop comprehensive implementation plans
 - 61% developing or purchasing curriculum
 - 3/4 of districts cite inadequate funding as a major challenge
 - 2/3 of districts cite lack of state guidance on CCSS a challenge

Districts' Progress (con't)



- 48% of districts provide or plan to provide professional development
- < 1/2 of districts have developed or plan to develop local assessments
- 29% of districts have assigned or plan to assign resource teachers to help teachers integrate CCSS into class instruction
- < 1/3 of districts have changed or plan to change teacher induction/evaluation to align w/CCSS

States' Progress



Education First and EPE Research Center:

- Surveyed SEAs during 2011 summer. Findings include:
 - Formal implementation plans are underway in all CCSS states
 - Most states have begun planning to align their systems in the following areas:
 - Providing professional development to teachers (45 states),
 - Changing or revising curriculum guides and other instructional materials (35 states), and
 - Revising teacher-evaluation systems (38 states).
 - 7 states (mostly RTTT states) have fully developed plans for the surveyed areas (teacher professional development; curriculum materials; and teacher-evaluation systems)
 - 18 states lack fully developed plans in all three of these areas

States' Progress (con't)



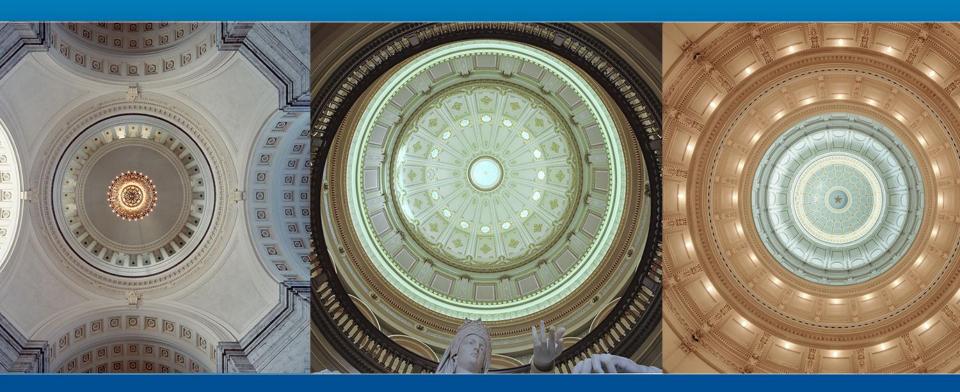
- Professional Development
 - 20 CCSS states have a fully developed plan to provide teacher professional development aligned with the CCSS
 - 25 CCSS state are in the process of developing such a plan
 - New Hampshire has not begun developing PD plan
- Curriculum Materials
 - 17 states have fully developed plans for providing CCSS-aligned instructional materials to teachers
 - 18 states are developing an instructional materials plan
 - 11 states report no progress toward developing an instructional materials plan
- Teacher Evaluation Systems
 - All but 8 CCSS states are working on a plan for their teacher-evaluation systems
 - Systems include holding teachers accountable for students' mastery of the new standards.

Questions?





http://www.ncsl.org/



(303) 856-1646 | daniel.thatcher@ncsl.org