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for the week ending March 27, 2009

State Budget "Protects and Fully Funds" Basic Education Program Will Keep Retirement System Sound, Provides Insurance Funding

First, most important, and an article of faith for me: this year, next year, and in the two following years, we will completely protect and fully fund the PreK-12 Basic Education Plan – the BEP.

--Governor Phil Bredesen

On Monday, March 23, Governor Phil Bredesen presented his fiscal year 2009-2010 budget to a joint session of the General Assembly. The budget had been delayed several weeks while the state awaited action on the federal economic stimulus package. The Governor's budget proposes that state government shrink steadily over the next three years by implementing cuts throughout state government. The budget uses the approximately \$5 billion in stimulus spending dedicated to Tennessee to close revenue shortfalls that are expected to approach \$1 billion next year – and the year after that. Without the federal stimulus funds, the state would have cut approximately 2,300 employees and undoubtedly teaching jobs would also have been cut due to shortfalls in education funding at the local level. **TEA is extremely pleased that the only significant increases in funding will be in education.** While there will not be a state salary increase, there should not be any significant loss of jobs due to the Governor's commitment to protect K-12 education during this sharp economic downturn. **Below are some key excerpts from the Governor's budget speech:**

- ◆ I come here to present a budget for your consideration, and I do so in an economic environment more difficult than any we have been through since the Great Depression.
- ◆ This budget fully funds the BEP, our employee pension plan, our health insurance programs, and the economic development projects we have underway.
- ◆ We are putting a great deal of anticipated new revenues into employee benefits – keeping the pension fund actuarially sound and funding increases in the cost of health insurance – but we have not provided for across-the-board employee raises in this plan. It seems clear to me that our employees prefer to keep intact as many jobs as possible rather than laying off some to give raises to others.
- ◆ These difficult times are a problem, but they are an opportunity, too: an opportunity that we will use to tighten our belts and make changes in state government that strengthen it and make better use of our taxpayer dollars.
- ◆ The so called "stimulus" package is not a silver bullet – what it does is buy us time. What I am trying to achieve with this budget is sensible and conservative long-range fiscal stewardship – to recognize these stimulus funds for the one-time help that they are, to use them wisely and compassionately, and most of all, when this recession is over, to leave our state looking to the future strong and independent.
- ◆ More than most other areas, higher education has dodged a bullet and brought some time, but there is a great deal of work to be done to reorganize and streamline for a much leaner future – to practice good stewardship.

Recommended Education Budget for Fiscal Year 2009-2010 By Funding Source				
Department	State	Federal	Other	Total
Education K-12	3,927,728,500	1,172,839,200	21,792,100	5,122,359,800
Higher Education	<u>1,663,289,100</u>	<u>275,566,200</u>	<u>1,647,755,700*</u>	<u>3,586,611,000</u>
TOTAL	\$5,591,017,600	\$1,448,405,400	\$1,669,547,800	\$8,708,970,800

*Includes Higher Education's tuition and fees and other revenue

K-12 Education Improvements for Fiscal Year 2009-2010

Budget Category	Total
Basic Education Program (BEP) – To maintain full funding of the Basic Education Program (BEP) formula, which provides an equitable state share of K-12 public education funding to local education agencies (LEAs).	\$48,000,000
Pre-K Program – Existing Classrooms – To provide additional funding from the general fund for existing pre-kindergarten and early childhood education classrooms.	\$14,490,000
Comprehensive Assessment Program (TCAP) – To provide funding for the continuation of the Tennessee Comprehensive Assessment Program (TCAP) achievement test for grades three through eight as required by Title I of the federal No Child Left Behind Act.	\$3,320,000
TCAP End-of-Course Assessment – To provide funding for the continuation of the TCAP end-of-course assessment program, as mandated by Title I of the federal No Child Left Behind Act.	\$6,000,000
TCAP Writing Assessment Scoring – To provide funding for the continuation of holistic scoring services of the TCAP writing assessment, which requires students in fifth, eighth, and eleventh grades to write a rough draft essay in response to an assigned topic within a limited time period.	\$800,000
K-4 Math and Science Teachers Professional Development – Year 3 of 5 – To provide third-year non-recurring funding for grants to Tennessee State University for professional development of K-4 math and science teachers.	\$2,000,000
School for the Deaf – Weekend Home Transportation – To provide additional funds for transporting School for the Deaf students to home on weekends because of increased fuel costs and enrollment.	\$589,000
Teacher Training and Experience – State Special Schools – To fund growth in teacher training and experience at the state special schools.	\$165,900
U. S. Economic Recovery – Elementary and Secondary Education Act (ESEA) Title 1	\$97,313,000
U. S. Economic Recovery – ESEA Title I, School Improvement	\$25,193,000
U. S. Economic Recovery – Individuals with Disabilities Education Act (IDEA), Part B	\$114,925,400
U. S. Economic Recovery – IDEA, Part B, Preschool	\$3,673,600
U. S. Economic Recovery – IDEA, Part C, Early Intervention	\$4,050,100
U. S. Economic Recovery – ESEA Title II, Part D, Education Technology	\$6,155,400
U. S. Economic Recovery – McKinney-Vento Act – Education for the Homeless	\$334,500
U. S. Economic Recovery – School Lunch Equipment	\$1,985,000
U. S. Economic Recovery – Teacher Incentive Funds	\$10,000,000
U. S. Economic Recovery – Statewide Longitudinal Data System	\$2,500,000

Several Bad Bills Would Give “Blank Check” to Charter Schools Expands Eligibility, Removes Caps, Allows Cyber and For-Profits

Three bills are scheduled in the Senate Education Committee on Tuesday, March 31 which – in several ways – would greatly expand charter schools in Tennessee. **SB 2133** expands the definition of “chartering authority”, provides for open enrollment charter schools, and lifts the cap on the numbers of charter schools. This bill would fundamentally change the concept of forming these schools to focus on the needs of low-performing students and schools. Listed below are some key provisions of **SB 2133**, sponsored by Senators Jamie Woodson (R-Knoxville) and Dolores Gresham (R-Somerville):

- (1) Under present law, local boards of education are the chartering authority for a public charter school. Under this bill, the State Board of Education or the local board of education would be the chartering authority.
- (2) Under present law, the prospective student population for a public charter school is:
 - (A) Students who were previously enrolled in a charter school;
 - (B) Students who are assigned to, or were previously enrolled in, a school failing to make adequate yearly progress, as defined by the state’s accountability system, giving priority to at-risk students;
 - (C) Students who, in the previous school year, failed to test proficient in the subjects of language arts/reading or mathematics in grades three through eight on the Tennessee Comprehensive Assessment Program examinations;
 - (D) Students who in the previous school year, failed to test proficient on the gateway examinations in language arts/reading or mathematics;
 - (E) Students in grades kindergarten through three who are eligible for free or reduced-price lunch, who may only be enrolled no earlier than August 1; or
 - (F) Students who are under the jurisdiction of a juvenile court and who, in the court’s judgment, would benefit from a work experience and career exploration program.This bill expands the prospective student population to be all students who are eligible to attend public schools in this state and those students described above in (F).
- (3) Present law limits to 50 the number of charter schools. This bill removes the cap.
- (4) Under present law, a public charter school may be formed by creating a new school or converting an eligible public school to charter status. Present law provides that an LEA’s decision on whether to convert an eligible public school to a charter school may not be appealed to the State Board of Education. This bill removes this provision.
- (5) Under the present law provisions governing the formation of a new charter school (as opposed to converting an existing public school to a charter school), a denial by the local board of education of an application to establish a public charter school may be appealed by the sponsor to the State Board of Education. Under this bill, if the State Board of Education is the chartering authority, then a final decision to deny an application to establish a charter school may not be appealed.
- (6) Present law requires the local board of education to allocate 100% of the state and local education funds to the charter school on the per pupil expenditure of the LEA. This bill rewrites the above provisions to instead require a local board of education to allocate to the charter school an amount equal to the per student state and local funds received by the LEA and all appropriate allocations under federal law or regulation, including but not limited to Title I and ESEA funds.
- (7) Under present law, new public charter schools, conversion schools and all renewals of charter agreements are for five-year periods. This bill increases this period from five years to ten years.

Two other charter school expansion bills are also on the Senate Education Committee Calendar. **SB 621**, sponsored by Sen. Steve Southerland (R-Morristown), would remove the current prohibition on cyber-based charter schools and **SB 620** – also sponsored by Sen. Southerland would allow charter schools to be managed or operated by private or for-profit entities. Passage of these bills would potentially allow a for-profit company to teach students via computer and receive state funding. These students could be home-schooled students who are now not state funded. **These proposals strike at the very heart of current public school funding and raise a multitude of questions around standards and accountability -- they should be defeated!** TEA members are urged to contact the Senate Education Committee and ask that they vote “**NO**” on **SB 2133, SB 621, and SB 620**. Contact information is listed below.

Senate Education Committee

LP = Legislative Plaza WMB = War Memorial Building
 Address for all members is Nashville, TN 37243
 All legislators may be reached by telephone at 1-800-449-8366.
 You must then enter the last five digits of their office phone number.

Member (Party & District)	Office	Phone Area Code (615)	E-Mail Address (Please include your name, postal address, and phone number in your e-mail.
Chairman Dolores Gresham (R-26)	308 WMB	741-2368	sen.dolores.gresham@capitol.tn.gov
Vice Chairman Reginald Tate (D-33)	320 WMB	741-2509	sen.reginald.tate@capitol.tn.gov
Secretary Andy Berke (D-10)	310 WMB	741-6682	sen.andy.berke@capitol.tn.gov
Charlotte Burks (D-15)	304 WMB	741-3978	sen.charlotte.burks@capitol.tn.gov
Rusty Crowe (R-3)	8 LP	741-2468	sen.rusty.crowe@capitol.tn.gov
Joe M. Haynes (D-20)	G19 WMB	741-6679	sen.joe.haynes@capitol.tn.gov
Bill Ketron (R-13)	13 LP	741-6853	sen.bill.ketron@capitol.tn.gov
Jim Tracy (R-16)	2 LP	741-1066	sen.jim.tracy@capitol.tn.gov
Jamie Woodson (R-6)	6 LP	741-1648	sen.jamie.woodson@capitol.tn.gov