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2021 SESSION: EDUCATION BUDGET AND LEGISLATIVE HIGHLIGHTS

Restorations to FY 2021 Formula Reductions

- K-12 education is the largest single expenditure in the state's budget, totaling \$10.2 billion, or 43.8% of the state general fund budget. The FY 2021 budget included a reduction of \$950 million to the Quality Basic Education (QBE) formula due to a decline in state revenues as a result of the COVID-19 pandemic; the FY 2022 budget restores \$567 million, or 60% of that reduction, to QBE formula earnings. The sustained reduction to QBE is now \$383 million, or (4%).
- HB 81, the FY 2022 budget, includes \$8.1 million in restorations to Department of Education (DOE) programs that provide direct instruction or vital educational services. In most programs, the adjustment represents a 60% restoration to the initial FY 2021 reduction. The restorations include Agricultural Education (\$589,272); Communities in Schools (\$85,686); Georgia Network for Educational and Therapeutic Supports (GNETS) (\$3,669,163); Preschool Disabilities Services (\$2,523,306); Regional Education Service Agencies (RESAs) (\$889,508); Technology/Career Education (\$840,924); State Schools (\$300,000); and Tuition for Multiple Disability Students (\$93,117).

Federal Funds

- The FY 2022 budget reflects \$4.25 billion in 'American Rescue Plan Act of 2021' (ARP) funds for the Elementary and Secondary School Emergency Relief Fund. Of the total funds received, \$3.8 billion is sent directly to school systems based on Title I formula allocations. The \$3.8 billion school systems received in ARP funds is in addition to the \$411 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act 1 funds (May 2020) and \$1.7 billion in CARES Act 2 funds (January 2021).

Funding Formula Adjustments

- HB 81 reflects a \$52.4 million net decrease to the QBE formula. Full-time equivalent (FTE) enrollment is down 35,206, or 2%, totaling \$110.6 million. The increase in training and experience and health insurance is \$58.2 million, reflecting 330 new teachers and salary step increases for eligible current teachers. The budget also includes \$35.7 million for growth in charter system grants and State Commission Charter School supplements.
- Equalization grants are increased by \$71.9 million, bringing the total amount of funding to \$798 million. Equalization grants provide additional funds for school systems with property tax wealth per FTE below the statewide average.
- HB 81 provides a hold-harmless appropriation from a decline in enrollment for residential treatment facilities. The remaining \$268,221 reduction is offset by 'CARES Act' funds approved by the State Board of Education for residential treatment facilities.
- The FY 2022 budget includes \$137 million in bonds for local school construction, renovations, and additions statewide. These funds support 126 projects in 47 school systems. The bond package also includes \$12.9 million for equipment for career, technical, and agricultural education labs.
- SB 59 (Sen. John Albers, 56th) amends O.C.G.A. 20-2-165.1 to allow additional funding for local charter schools for each full-time equivalent student within the local charter school beginning with the FY 2023 budget. The State Board of Education shall directly allocate the amount of appropriated funds to each local charter school. Local charter schools may not waive early intervention program requirements in local school system flexibility contracts. Local charter schools may elect to participate in the State Health Benefit Plan upon creation or upon contract renewal. Local school boards and local charter schools will collaborate and agree on specific ways all or part of the proportionate amount of federal funds owed to the local charter school is allocated to the charter school through in-kind services.

School Safety and Security

- HB 81 includes \$250,000 for Law Enforcement Teaching Students (LETS), a character development program to foster positive relationships between law enforcement and students.
- HB 287 (Rep. Bonnie Rich, 97th) amends O.C.G.A. 20-2-144 to include tobacco and vapor products in the list of mandatory instruction concerning drug and alcohol use for students in every grade, every year. Also, this legislation amends O.C.G.A. 20-2-142 to require the State Board of Education to prescribe a course of study in human trafficking awareness for grades 6 through 12, incorporated into the student's health and physical education course of study.

Agricultural and Technology/Career Education

- In the FY 2022 budget, the restorations to Agricultural and Technology/Career Education include full restorations to the Extended Day/Year program.
- In the Agricultural Education program, \$340,000 is provided for four new young farmer positions in Fulton, Pickens, Ware, and Worth counties at \$85,000 each.
- HB 81 provides the state share of funds for eight new agriculture education programs in high schools across Georgia, for a total cost of \$68,000.

Teaching Profession and School Leadership

- HB 81 restores \$150,000 to the Governor's Office of Student Achievement (GOSA) for the Governor's School Leadership Academy, providing leadership training to aspiring and new principals.
- The FY 2022 budget includes \$140,720 for personal services in the Georgia Professional Standards Commission (PSC) to meet program needs in the Ethics Division and Educator Preparation Division. Also, the FY 2022 budget includes \$197,002 for the Troops to Teachers program, a program that offers a path for military members to become classroom teachers.
- House Bill 32 (Rep. Dave Belton, 112th) amends O.C.G.A. 20-2-251 to create an income tax credit for a teacher recruitment and retention program managed by the State Board of Education. Eligible teachers include those with a bachelor's degree in education from a postsecondary institution in Georgia that has a teacher certification program certified by the PSC. Additionally, a teacher must accept their first school-year contract in the 2021-2022 school year in a high-need subject area in a rural school or a school that performed in the lowest five percent of schools in this state and must hold a valid five-year induction or professional certificate from the PSC. RESAs determine which three content areas are considered a high-need subject area. Eligible teachers must submit an application to the Department of Education to participate. The department will identify no more than 100 rural and low-performing schools, and the recruitment and retention program is limited to 1,000 participating teachers. Participating teachers are eligible for a non-refundable tax credit of \$3,000 per each school year for no more than five years. The tax credit earned may be carried forward for up to three years. Beginning with the 2023-2024 school year, the Office of Student Achievement will evaluate the program and provide the governor, the General Assembly, and the State Board of Education with a report that includes the number of participants and the length of participation in the program. This income tax credit program sunsets on December 31, 2026.
- SB 88 (Sen. Russ Goodman, 8th) amends O.C.G.A. 20-2-212.1 to allow the Georgia teacher of the year to serve as advisor ex-officio to the State Board of Education. Under the provisions of this bill, local school systems are required to support a pathway for non-traditional teacher certification programs for armed forces veterans to become certified teachers. This legislation

further revises the tiered evaluation system and requires the Professional Standards Commission to create innovative programs to promote teacher education programs at historically black colleges and universities.

Charter Schools, School Improvement, and Student Achievement

- The FY 2022 budget includes \$1 million for charter facilities grants in the Charter School program, increasing total funding to \$4.5 million. Facilities grants are provided to local charter schools and state charter schools at a flat amount pursuant to HB 430 (2017 Session).
- In HB 81, the Curriculum Development program receives \$344,000 in additional funds for computer science grants per SB 108 (2019 Session). Also included in this program, is \$1.63 million for dyslexia screening as mandated in SB 48 (2019 Session) and state education agency dyslexia specialists. Lastly, \$240,000 is provided for coding equipment in partnership with Georgia Cyber Center.
- HB 81 includes \$100,000 for the Growing Readers program in the Governor's Office of Student Achievement, bringing total program funding to \$1.6 million. This program has 38 certified specialists working with 85 schools in all 16 RESAs with a goal of students reading on grade level by the end of the third-grade.
- The FY 2022 budget includes \$75,000 for a pilot program to expand access to virtual STEM and Advanced Placement (AP) STEM courses to rural areas of the state. Also included in HB 81 is \$125,000 to expand and supplement the CSforAll Air Force JROTC-Computer Science Initiative, which scales up computer science and cybersecurity education programs by providing AP Computer Science Principles (CSP) courses at school systems that offer no AP CSP courses or no AP courses.
- SB 47 (Sen. Steve Gooch, 51st) amends O.C.G.A. 20-2-2113 relating to the 'Georgia Special Needs Scholarship Act' by allowing students to qualify who spend the prior school year in attendance at a Georgia public school or received a preschool special education or related services provided for by the 'Individuals with Disabilities Education Act.' Students will also qualify for the scholarship if the student's parent is an active duty military service member stationed in Georgia; the student is adopted or under permanent guardianship from foster care; the student previously qualified; or the student was enrolled at a public school for at least one count during either the 2019-2020 or 2020-2021 school years. SB 47 extends eligibility to students with a formal diagnosis from a physician or a psychologist licensed in Georgia or a Section 504 Plan relating to one or more conditions that the State Board of Education designates as a qualifying condition. The State Board of Education shall annually survey participants and gather data relating to student eligibility, transparency, and awareness of the impact of the program. The Department of Education must post on the department's website the basic unit cost of instructional programs as the minimum estimate for scholarship amounts.

- SB 153 (Sen. Greg Dolezal, 27th) directs the General Assembly to study alternative education models and funding focused on dropout prevention, high school credit recovery, and education services of adult and incarcerated students during 2021 and 2022 and make recommendations back to the General Assembly upon conclusion. Senate Bill 153 further amends O.C.G.A. 20-2-154.1, relating to alternative education programs that focus on dropout recovery and high school credit recovery. An 'alternative charter school' is defined as a local charter school that provides programs and services focused on dropout recovery or high school credit recovery. No later than July 1, 2021, each system-collaborative state charter school that has not transitioned into an alternative charter school will operate as a state chartered special school. A system-collaborative state charter school that transitions to an alternative charter school by June 30, 2021, will continue receiving the state charter supplement, and schools that do not transition will no longer receive the state charter supplement.
- SB 246 (Sen. Matt Brass, 28th) amends O.C.G.A. 20-2-690 by adding 'The Learning Pod Protection Act,' which exempts learning pods from being regulated by state, local, or local school systems when the student's primary educational program is offered through remote virtual learning. Learning pods are the voluntary grouping by parents of their children for the purposes of participating in virtual learning together.

Pupil Transportation

- The FY 2022 budget includes \$179,152 in additional formula funds for pupil transportation and \$2 million in bond funding to incentivize the purchase of alternative fuel school buses; in FY 2021, DOE approved the purchase of 158 propane buses in 13 counties across Georgia. School systems save an estimated \$3,500 in maintenance costs per propane bus.
- The Amended FY 2021 budget includes \$40.2 million to purchase 520 school buses statewide.
- SB 159 (Sen. Steve Gooch, 51st) amends O.C.G.A. 20-2-188 to allow local boards of education to use small motor vehicles, eight-passenger or less, to transport students. The State Board of Education must set minimum standards and requirements related to the transportation of students in small motor vehicles. Local boards of education may create additional requirements as needed.

Student Health and Well-Being

- In the FY 2022 budget, the Nutrition program receives a \$5 million increase in funding, providing additional funds for the state share of nutrition worker salaries and a supplement for nutrition managers.
- HB 81 fully restores the \$700,000 reduction to feminine hygiene grants taken in the FY 2021 budget and increases the original appropriation by \$250,000 for a total of \$1.25 million in FY 2022. Language is added directing the Department of Education to prioritize grants to school

systems with low property tax wealth and a high percentage of economically-disadvantaged students.

- SB 42 (Sen. Jeff Mullis, 53rd) creates the 'Dexter Mosely Act' that allows home study students to participate in extracurricular and interscholastic activities within the student's resident public school system. SB 42 describes the eligibility requirements for participation, notably, students must take a course through the resident school system. Students must register for a course 30 days before the beginning of the semester the activity will take place. The bill further amends O.C.G.A. 20-14-33 to require an annual report on data and information regarding student discipline be included in the report by the Governor's Office of Student Achievement to the Education Coordinating Council. Local school systems must post discipline data on the school system's website in a prominent location.

Early Childhood Education

- HB 81 provides an increase of \$3.5 million to the Department of Early Care and Learning to fund an additional 625 slots in the Childcare and Parent Services (CAPS) program. The CAPS program assists low-income families with the cost of childcare and currently serves more than 50,000 families.
- The FY 2022 budget increases lottery funds for Pre-K classroom operations by \$1.7 million, or 2.5%. This is the first increase in operations since FY 2010.
- The budget provides funds to restore a Pre-K Specialist position eliminated in FY 2021. The position contributes to maintaining the quality of Pre-K programs by working directly with lead and assistant teachers.
- The FY 2022 budget recognizes more than \$1.6 billion in federal funds that have been distributed for the Child Care Development Block Grant, Head Start Coordination, Child Care Stabilization Grants, and CCDF Mandatory Matching Funds by the 'American Rescue Plan Act of 2021.'

Additional Education Legislative Highlights

- HB 606 (Rep. Randy Nix, 69th) amends O.C.G.A. 20-3-519 to include the Georgia Independent School Association in the list of accepted accrediting agencies for the purposes of establishing HOPE eligibility for private high schools.
- SB 66 (Sen. Jason Anavitarte, 31st) amends O.C.G.A. 20-2-14.1 relating to the Georgia Foundation for Public Education to create a nonprofit corporation in order to receive private donations to fund grants to public schools. Grants given pursuant to this Code section will be awarded for the implantation of academic and organizational innovations to improve student achievement. This legislation authorizes an income tax credit for education donations and ends the Public Education Innovation Fund Foundation on December 31, 2021. Any assets remaining in the fund will revert to the Georgia Foundation for Public Education's nonprofit corporation.

- SB 213 (Sen. Tyler Harper, 7th) amends O.C.G.A. 20-2-506 to allow public schools to enter into multiyear energy saving lease, purchase, or lease purchase contracts with the purpose of reducing energy or wastewater consumption, wastewater production, or operating costs. SB 213 allows a county, independent, or area school system to use local option sales taxes collected for educational purposes for payment on a contract developed for energy savings purposes.