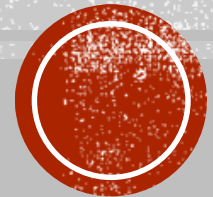


**COMMITTEE
SUBSTITUTE FOR
SENATE BILL 451**

**Comprehensive Education
Reform**



THIS PRESENTATION WILL:

- **Provide an overview of SB 451**
- **Provide detail in a section by section breakdown**
- **Cross-reference page numbers**
- **Provide the Fiscal Implications to the FY 2020 State Budget (Fiscal Notes)**



PUBLIC CHARTER SCHOOLS

PEIA COVERAGE ELIGIBILITY

Proposed Law

- **§5-16-2 (pg. 4); and §5-16-22 (pg. 8)**
 - **Grants Charter School Employees eligibility for PEIA coverage**
 - **Does not require participation in PEIA**



PUBLIC CHARTER SCHOOLS PEIA COVERAGE ELIGIBILITY

- **Proposed Fiscal Impact**
 - **Fiscal note requested on Jan. 25, 2019 of PEIA, but has not been returned.**
 - **Any potential fiscal impact, if any, would be in future out years.**



COUNTY SCHOOL BOARD LEVY

Proposed Law

- **§11-8-6f (pg. 10)**
 - **Modifies the school board levy rate for the 2019 Tax Year.**
 - **County boards of education may increase the levy rate pursuant to existing code (§11-8-6c)**



COUNTY SCHOOL BOARD LEVY

Levy Rates

- **Proposed rates**
 - **Class I Property – 19.4 cents per \$100**
 - **Class II Property – 38.8 cents per \$100**
 - **Class III and IV Property – 77.6 cents per \$100**
- **County boards may increase levy rates by a majority vote as set forth in current law.**



COUNTY SCHOOL BOARD LEVY

Proposed Fiscal Impact

- The West Virginia Department of Education is unable to determine a cost at this time and needs further clarification.
- Leaving the local share calculations at the existing rates has no cost implication to the state. Basing the local share calculations on the higher levy rates that a county board may elect to use would result in a higher local share calculation and a reduced state share under the State Aid Formula.

**Department of Education Fiscal Note – WHITE
PAPER ON PAGE 4.**



TEACHER TAX CREDIT

Proposed Law

- **§11-21-25 (pg. 13)**
- **Beginning January 1, 2019, teachers are granted a \$250 tax credit for the purchase of curricular, cocurricular and extra-curricular educational materials including:**
 - **Computer equipment and software;**
 - **Textbooks; and**
 - **Workbooks**
- **An unused credit is forfeited and a carryback to a prior taxable year is not allowed.**



TEACHER TAX CREDIT

Proposed Fiscal Impact

- This section was structured after SB 6 introduced this session. The fiscal note on SB 6 was \$261,000 in administrative costs, and a potential revenue loss.



NON-SEVERABILITY

Proposed Law

- **§18-1-5 (pg. 14)**
 - **If any part of the Act, passed during the regular session, 2019, is held invalid, then, notwithstanding any other provision of law, every other provision of the Act shall be deemed invalid and of no further force and effect.**



NON-SEVERABILITY

Proposed Fiscal Impact

- None



STUDENT TRANSFERS

Proposed Law

- **§18-5-16 (pg. 14)**
 - **Requires the establishment of attendance zones**



STUDENT TRANSFERS

Proposed Law (cont.)

- **§18-5-16 (pg. 16)**
 - **Allows county boards of education to establish intercounty student transfers**
 - **Sets enrollment preferences**
 - **Provides for permissive transportation requirements**
 - **Establishes a parent appeal process to the state board of education**
 - **Requires a full-time transferred student to be counted in the net enrollment of the county where the student transferred**
 - **Provides for pro rata reimbursement upon a transfer back to the county of residence after the second month of school.**
- **§18-5-16a (pg. 19) Expires July 1, 2019.**



STUDENT TRANSFERS

Proposed Fiscal Impact

- The Department of Education estimates a minimal cost increase to some counties, and may theoretically increase transportation costs marginally for some counties.
- The language of this section is similar to both SB 7 introduced during the 2019 Regular Session and HB 4529 introduced in 2018, a fiscal note has not been returned for SB 7 and no fiscal note was requested for HB 4529.

Department of Education Fiscal Note – WHITE PAPER ON PAGES 2 AND 3.



SCHOOL COUNSELORS IN PUBLIC SCHOOLS

Proposed Law

- **§18-5-18b (pgs. 20 and 21)**
- **Current law requires at least 75% of a counselors time in direct counsel with pupils and no more than ¼ of the week on administrative activities.**



SCHOOL COUNSELORS IN PUBLIC SCHOOLS

Proposed Law (cont.)

- **§18-5-18b (pgs. 20 and 21)**
- **Eliminates percentage work requirements for school counselors and states the primary responsibility for a school counselor is to provide direct counseling to students on academic, social and emotional needs.**



SCHOOL COUNSELORS IN PUBLIC SCHOOLS

Proposed Fiscal Impact

- There is no immediate fiscal impact to the FY20 budget, although this provision may result in counties having to hire additional clerical positions to make up for the lost administrative time that counselors currently provide.



CENTRAL OFFICE ADMINISTRATORS, SUPERVISORS, AND DIRECTORS

Proposed Law

- **§18-5-32 (pg. 22)**
- **Beginning July 1, 2020, any newly hired central office administrator, supervisor and directors become will and pleasure of the county superintendent and maybe removed with county board approval.**



CENTRAL OFFICE ADMINISTRATORS, SUPERVISORS, AND DIRECTORS

Proposed Fiscal Impact

- **None**

**Department of Education Fiscal Note
– WHITE PAPER ON PAGE 3.**



LEGISLATIVE INTENT – SCHOOL CALENDAR

Proposed Law

- **§18-5-45a (pgs. 23 and 24)**
- **Expresses Legislative Intent that a school year consists of 200 days of employment and 180 days of instruction and that a work stoppage or strike by employees shall not impact the instructional time for students or the employment term for personnel.**



LEGISLATIVE INTENT – SCHOOL CALENDAR

Proposed Law (cont.)

- **§18-5-45a (pgs. 23 and 24)**
- **Temporary closure of a school due to a work stoppage or strike shall result in withholding of employee pay for each day the school is closed. The withheld pay shall be applied when the instructional term and the educational term are met under the employment contract.**
- **Extracurricular events may not take place.**



LEGISLATIVE INTENT – SCHOOL CALENDAR

Proposed Fiscal Impact

- **No cost to implement the provisions in these sections**
- **Department of Education Fiscal Note – WHITE PAPER ON PAGE 3.**



STUDENT PROMOTION

Proposed Law

- **§18-5-46 (pg. 24)**
- **A teachers recommendation regarding the promotion of a student shall be the primary consideration when making such a determination.**



STUDENT PROMOTION

Proposed Fiscal Impact

- None

Department of Education Fiscal Note –
WHITE PAPER ON PAGE 3.



PUBLIC CHARTER SCHOOLS

Proposed Law

- **§18-5G-1 (pgs. 24 and 25)**
 - **Sets out Legislative purpose and intent.**

- **§18-5G-2 (pgs. 25 - 27)**
 - **Defines terms**



PUBLIC CHARTER SCHOOLS

§18-5G-3 (pgs. 27 - 31)

- **Authorizes Public Charter Schools (Requirements)**
 - **Exempt from statutes and administrative regulations applicable to state board, county board or public school.**
 - **Requires them to meet the same immunization, civil rights and disability rights as public school.**
 - **Precludes entrance requirements or tuition**
 - **Forbids the power to levy taxes**
 - **Requires a governing board**
 - **Equal instruction time as public schools**



PUBLIC CHARTER SCHOOLS

§18-5G-3 (cont.) (pgs. 27 - 31)

- **Requires Criminal Background Checks for staff and volunteers**
- **Prohibits Contractors and Service Providers contact with students**
- **Ensures student participation in statewide assessment**
- **Adherence to general accounting practices**
- **Identical system for reporting student information data**
- **Comply with FOIA requests**



PUBLIC CHARTER SCHOOLS

§18-5G-3 (cont.) (pgs. 27 – 31)

- **Use the West Virginia Education Information system**
- **Operate with oversight from the authorizing entity and pursuant to their contract.**
- **Have the ability to enroll students.**
- **Require monthly budgets from contract service providers.**
- **Operate grades pre K through 12**
- **Provide services to students with disabilities**



PUBLIC CHARTER SCHOOLS

§18-5G-3 (cont.) (pgs. 27 – 31)

(Optional)

- **Contract - at a cost - with the authorizer or third party for the use of building, grounds, liability insurance and any service.**
- **Sue or be sued.**
- **Own, rent or lease space.**
- **Participate in cocurricular activities.**
- **Participate in extra-curricular activities which are offered at a non-public charter schools.**



PUBLIC CHARTER SCHOOLS

§18-5G-3 (pg. 30)

- **Provide for a Governing Body:**
 - **Membership:**
 - **No fewer than 5 members;**
 - **Be comprised of 2 parents of students attending the school;**
 - **One member of the county school board in which public charter school is located;**
 - **Not be an employee of the specific public charter school, or an education service provider that serves the school;**
 - **Disclose any conflict of interest;**



PUBLIC CHARTER SCHOOLS

§18-5G-3 (pg. 30) (cont.)

- Possess expertise in leadership, curriculum and instruction, law and finance; and
- Be considered an officer of a school district.
- Comply with open meetings law
- §18-5G-4 (pgs. 31 and 32)
 - Sets enrollment preferences requires a recruitment and retention plan



PUBLIC CHARTER SCHOOLS

■ §18-5G-5 (pgs. 32 - 36)

- Sets minimum application requirements.
- Requires detailed information regarding contract educational service providers.

■ §18-5G-6 (pgs. 36 - 39)

- Sets out authorizers powers and duties including:
 - Approve, decline or negotiate applications;
 - Performance monitoring;
 - Oversight and evaluation;
 - Interviews; and
 - Receive public input
- Requires filling of application with WV Department of Education
- Allows the state board to establish an authorizer oversight fee based on per student operational funding



PUBLIC CHARTER SCHOOLS

■ §18-5G-7 (pgs. 39 and 40)

- Authorizes public charter schools to operate virtually and sets enrollment limitations.

■ §18-5G-8 (pgs. 40 - 42)

- Requires a contract within 90 days of an approval of an application for a public charter school.
- Sets out required contract terms – 5 year term.
- Shall provide operational performance indicators, measures and metrics.
- Requires the authorizers to collect and report success and achievement data.
- Sets out required signatures.
- Requires a contract prior to operation



PUBLIC CHARTER SCHOOLS

[§18-5G-9 \(pgs. 42 - 46\)](#)

- Establishes criteria for renewal or nonrenewal of public charter school contracts.
- Requires rulemaking to establish a renewal process.
- Sets out conditions that would result in nonrenewal or revocation.
- Establishes an appeal process to the WV Public Charter School Commission.
- Requires closure protocols and transition protocols from public charter schools to non public charter schools.



PUBLIC CHARTER SCHOOLS

[§18-5G-10 \(pgs. 46 - 48\)](#)

- Establishes the West Virginia Public Charter School Commission.
- Sets out 11 voting members and qualifications for membership.
- Allows for removal of members.
- Provides for a limited immunity.
- Grants the commission the ability to hire an executive director and staff
- Provides for meeting requirements and reimbursements for members.



PUBLIC CHARTER SCHOOLS

§18-5G-11 (pgs. 48 -49)

- Sets out an appeal process to the WV Public Charter School Commission regarding a denial of an application or nonrenewal or revocation of a contract.
- Allows rulemaking for the State Board of Education for an appeal process



PUBLIC CHARTER SCHOOLS

[§18-5G-12 \(pg. 49\)](#)

- Sets out prohibitions against a public charter school being home based and discrimination similar to a nonpublic charter school.



PUBLIC CHARTER SCHOOLS

§18-5G-13 (pgs. 49 and 50)

- **Allows the state board to promulgate rules providing funding for public charter schools.**
- **Sets the funding minimum that 90% of the per public total follows the student.**
- **Allows the rules to account for student transportation costs.**
- **Requires adherence to Federal requirements regarding funding.**



PUBLIC CHARTER SCHOOLS

§18-5G-14 (pg. 50)

- **Allows public charter schools to lease public facilities for a local county board not used in whole or part for classroom instruction.**



PUBLIC CHARTER SCHOOLS

§18-5G-15 (pgs. 50 and 51)

- Requires an annual report from each authorizer to the WV Public Charter Schools Commission within 60 days of the end of the school year.
- Requires the state superintendent to publish an annual report assessing the programs success and challenges of the public charter school program.



PUBLIC CHARTER SCHOOLS

Proposed Fiscal Impact

- **The West Virginia Department of Education estimates a cost of \$200,000 in order to cover administrative cost of the creation of the West Virginia Public Charter School Commission. No other costs to the state were indicated.**

Department of Education Fiscal Note – WHITE PAPER ON PAGE 3.



PUBLIC CHARTER SCHOOLS TEACHER'S RETIREMENT

Proposed Law

- **§18-7A-3 (pgs. 51 - 56 see pgs.54 and 56)
and
§18-7B-2 (pgs. 56 - 59 see pg. 58)**
- **Allows the inclusion of public charter
school teachers in the State Teachers
Retirement System**



PUBLIC CHARTER SCHOOLS TEACHER'S RETIREMENT

Proposed Fiscal Impact

- The West Virginia Consolidated Retirement Board estimates the cost to the state of \$16.4 million.**
- Will also add \$120 million in unfunded liability to the Teachers Retirement System.**

Consolidated Public Retirement Board – GREEN PAPER.

(This fiscal note has an incorrect Subject of Legislation line – but the content pertains to S.B.451)



COMPULSORY SCHOOL ATTENDANCE

Proposed Law

- **§18-8-4 (pgs. 59 – 64 see pg. 61)**
- **Modifies the duties of the county Attendance Director or Assistant or Principle to require “meaningful” contact with parent, guardian or custodian after three unexcused absences and again after five unexcused absences.**



COMPULSORY SCHOOL ATTENDANCE

Proposed Fiscal Impact

- None

Department of Education Fiscal Note –
WHITE PAPER ON PAGE 4.



STUDENT SUPPORT SERVICES

Proposed Law

- **§18-9A-2 (pg. 64 – 68 see pgs. 64, 65 and 66), §18-9A-8 (pgs. 68 – 70 see pg. 69), §18-9A-9 (pgs. 70 and 71) and §18-9A-12 (pgs. 71 74 see pg. 72)**
- **Modifies definition of professional student support personnel to include social workers and psychologists.**
- **Sets the net enrollment of each county at 1400 for purposes of the school aid formula.**



STUDENT SUPPORT SERVICES

- **Increases the basic foundation allowance for paying professional student support personnel, which may result in additional professional student support personnel.**
- **Increases the county allowance for current expenses from 70.25% to 71.25%.**
- **Caps the local share by setting the local share max at the 2015/2016 level**



STUDENT SUPPORT SERVICES

Proposed Fiscal Impact

- The estimated cost for adding the additional service personal to the State Aid formula will increase costs \$24.3 million.
- The proposed increase to the county allowances for current expenses will cost an estimated \$1.7 million
- The cap of local share at 2015/2016 levels will cost an estimated \$24.8 million



EDUCATION OF EXCEPTIONAL CHILDREN

Proposed Law

- **§18-20-5 (pgs. 74 – 76)**
- **Allows public charter schools to receive appropriations for serving exceptional children similar to current appropriations for county boards.**



EDUCATION OF EXCEPTIONAL CHILDREN

Proposed Fiscal Impact

- The Department of Education estimates no additional costs to the state.**

**Department of Education Fiscal Note –
WHITE PAPER ON PAGE 4.**



EDUCATION SAVINGS ACCOUNTS (ESA)

Proposed Law

- §18-31-1 *et seq.* (pgs. 76 - 86)
- Allows for the creation of Education Savings Accounts for up to 2500 accounts at any one time.
- Deposits 75% of the prior year's statewide average net state aid allotment per pupil into an ESA for participating students, allows rulemaking to develop the transfer.
- Funds deposited into an ESA may only be used for qualifying expenses and may not be refunded, rebated or shared with a parent or ESA student.
- Funds in an ESA will roll over quarter to quarter and year to year until the parent withdraws the student from the ESA program, or until the student graduates from college with a bachelor's degree.
- If a student has not enrolled in a post secondary institution within four years of graduation or turns 24 years old, whichever occurs first. The ESA shall be closed. All unused funds revert to the state Treasurer to be reallocated to fund other ESAs.
- ESA program is voluntary.



EDUCATION SAVINGS ACCOUNTS (ESA)

- **Application process, which includes a standard form, conditions for approval and an agreement between the parents and the State Treasurer.**
- **Enrollment in public schools results in an immediate suspension of the ESA**
- **Responsibilities of the State Treasurer are set forth, these include:**
 - **Updated list of participating schools;**
 - **Written explanation of allowable uses;**
 - **Contracting authority for the administration of the program;**
 - **Provisions for disabled students;**
 - **Parent-friendly payment system;**
 - **Auditing procedures;**
 - **Enforcement provisions; and**
 - **Appeal process**
- **A parent review committee to aid the State Treasurer to determine improper expenditures. Membership is set forth as are powers and duties**



EDUCATION SAVINGS ACCOUNTS (ESA)

- **Requirements and rights of education service providers:**
 - **Optional participation;**
 - **Accounting;**
 - **Non-Discrimination;**
 - **Criminal background checks for employees; and**
 - **Freedom to provide educational needs without government control**



EDUCATION SAVINGS ACCOUNTS (ESA)

- **Responsibility of school district to provide student records to education service providers.**
- **Sets out state responsibility in a legal challenge and gives parents the right to intervene.**
- **Limitation of liability for the State Treasurer.**



EDUCATION SAVINGS ACCOUNTS (ESA)

Proposed Fiscal Impact

- Fiscal note requested on Jan. 25, 2019 to State Treasurer's Office, but has not been returned.



SALARY ENHANCEMENT (TEACHERS)

Proposed Law

- **§18A-4-2 (pgs. 86 – 89 – see pgs. 86 and 87)**
 - **Provides a 5% pay increase.**
 - **Allows a classroom teacher providing math instruction in his/her certified area of study at least 60% of the time to have three additional years of experience for purposes of the salary schedule. (see pg. 89)**



SALARY ENHANCEMENT (TEACHERS)

- **§18A-4-2d (pgs. 91 – 92)**
 - **Requires the Department of Education to develop specialized mathematics courses for teachers.**
 - **Teachers who complete a course will receive a one time supplement of \$2,000.**
 - **For funding purposes, the bill provides a provision for a supplemental appropriation or proportionate adjustment if there are insufficient funds.**



SALARY ENHANCEMENT (TEACHERS)

- **§18A-4-5 (pgs. 92 -94)**
 - **Grants counties flexibility to use local funds for educational purposes including salary supplements.**
- **§18A-4-5a (pgs. 94 - 95)**
 - **Allows counties flexibility to provide additional compensation to teachers who:**
 - **Teach a subject area of critical need where there is a shortage of certified teachers;**
 - **Teach in remote geographic locations or locations with high turn over rates; or**
 - **Teachers who are assigned as master teachers, mentors or academic coaches**



SALARY ENHANCEMENT (TEACHERS)

- **§18A-4-7a (pgs. 95 -103 see pg. 98)**
 - **Permits a county board to base employment decisions regarding transfer, reassignment or a reduction in the workforce on individual qualifications and not solely on seniority**
 - **Required notice to professional personnel on the preferred list of job applications annually.**

- **§18A-4-9 (pgs. 113 - 114)**
 - **County boards may not deduct from an employees pay dues to an employee organization that provides representation, lobbying or other employee related services without employee authorization.**



SALARY ENHANCEMENT (TEACHERS)

§18A-4-10 (pgs. 114 – 118)

- **Personal leave accrues at the end of a pay period on a ten month calendar or on the last workday for separating employees. (see pg. 114)**
- **Grants a teacher a bonus upon retirement of \$500 for every 10 days of sick leave accrued at the time of retirement. (see pg. 117)**



SALARY ENHANCEMENT (TEACHERS)

Proposed Fiscal Impact

- **The creation of the Mathematics Incentive Program will cost the state an estimated \$2,364,216.**
- **Professional Educators will receive a raise of \$2,120 costing the state a total of \$49,607,581**
- **The incentive for math teacher's meeting certain requirements (three additional years on the salary schedule) will cost an estimated \$2.29 million**
- **The estimated cost to the state in FY20 for a Teacher's retirement bonus would be approximately \$6 million.**

Department of Education Fiscal Note – WHITE PAPER ON PAGE 5.

Teacher Retirement Bonus Fiscal Note – PURPLE PAPER



SALARY ENHANCEMENTS (SERVICE PERSONNEL)

Proposed Law

- **§18A-4-8a (pgs. 103 - 113)**
 - **Increases annual pay rate by 5%**
- **§18A-4-9 (pgs. 113 – 114)**
 - **County boards may not deduct from an employees pay dues to an employee organization that provides representation, lobbying or other employee related services without employee authorization.**
- **§18A-4-10 (pgs. 114 – 118 see pg. 114)**
 - **Personal leave accrues at the end of a pay period on a ten month calendar or on the last workday for separating employees.**



SALARY ENHANCEMENTS (SERVICE PERSONNEL)

Proposed Fiscal Impact

- All service personnel will receive an additional \$115/month for a total estimated cost of \$15,862,701.**

**Department of Education Fiscal Note –
WHITE PAPER ON PAGE 5.**



INCENTIVES FOR TEACHING IN SHORTAGE AREAS

Proposed Law

- **§18C-4-1 *et seq.* (pgs. 119 – 129)**
- **Modifies the Underwood-Smith Teaching Scholars Program to place an emphasis on critical needs such as math, science or special education. (see pg. 120)**
- **Modifies eligibility requirements from requiring a student to be in the top 10% statewide on the ACT to requiring a GPA of at least 3.25 on 4.0 scale and meeting specified college readiness standards. (see pg. 122)**



INCENTIVES FOR TEACHING IN SHORTAGE AREAS

- **Requires scholarship recipients to teach in the state 5 consecutive years. (see pg. 124)**
- **Modifies the award amount from up to \$5,000 to an amount equal to the average undergraduate tuition and fees for instate residents. (see pg. 128)**



INCENTIVES FOR TEACHING IN SHORTAGE AREAS

Proposed Fiscal Impact

- **The Higher Education Policy Commission anticipates the total cost for fiscal year 2020 to be \$560,000. Upon full implement to be \$1.1 million.**

**Higher Education Policy Commission Fiscal Note -
BLUE PAPER.**



LIABILITY INSURANCE

Proposed Law

- **§29-12-5a (pgs. 131 – 133 see pg. 133)**
- **Requires county boards to provide written notice of liability coverage to teachers, service personnel, administrators, school board members and other county school employees.**
- **Extends liability coverage to public charter schools**



LIABILITY INSURANCE

Proposed Fiscal Impact

- **The Board of Risk and Insurance Management submitted a fiscal note indicating this had zero financial impact.**

Board of Risk and Insurance Management Fiscal Note – Gold/Yellow paper.



CHANGES MADE IN THE COMMITTEE SUBSTITUTE

- **Removed the Teacher/Pupil Ratio.**
- **Clarified that all extracurricular activities are not permitted during a work stoppage due to strike.**
- **Clarified that the State Board of Education has rulemaking authority regarding Public Charter Schools.**
- **Capped ESA's at 2500 accounts.**
- **Modified the teacher bonus to allow \$500 for every 10 days of sick leave.**
- **Added internal effective dates.**



FISCAL SUMMARY

- **Overall costs concerning the Department of Education, and the State School Aid Formula have been broken down to individual programs/items in this presentation.**
- **The fiscal note from the DOE has a total cost of \$136,561,697.**



FISCAL SUMMARY

Teacher Tax Credit	\$261,000
Public Charter School/Teacher Retirement	\$16,700,000
Department of Education School Aid Formula	\$66,443,981
[Total cost is \$134,161,481 of which \$67,717.500 is currently accounted for in the Gov. Budget]	
Mathematics Incentive Program	\$2,364,216
Teacher's Retirement Bonus	\$6,000,000
WV Public Charter School Commission	\$200,000
Underwood-Smith Teaching Scholars	\$1,100,000
Liability Insurance/BRIM	<u>\$0</u>
TOTAL ADDITIONAL COST:	\$93,069,197*

***Total Fiscal Implication can not be estimated until all fiscal notes have been returned.**

