



Legislative Link

A Publication for the Members of the N.C. Association of School Administrators

July 10, 2009

Key Topics in This Edition:

- 1. State Budget Likely To Miss Second Deadline**
- 2. Bill On Probationary Teachers Heads To Governor**
- 3. Retired Teacher Re-Employment Law May Expire 9-30**
- 4. Budget May Prevent Salary Cut For New Assistant Principals**
- 5. Summary Of This Week's Action On Bills Affecting Public Schools**

State Budget Likely To Miss Second Deadline

Legislative leaders said this week they do not expect to strike a state budget deal before a stopgap spending measure expires on July 15. The stalemate, mainly due to House and Senate differences over what components to include in a package of tax increases, continues despite strong advocacy from Governor Beverly Perdue to urge the two chambers to reach consensus.

In a letter to lawmakers on Tuesday, Perdue provided what she calls a “pathway to a balanced budget that protects education and other core services.” The pathway also calls upon budget writers to make significant cuts, to increase revenue through a range of revenue increases she outlined as options, and to take steps to modernize North Carolina’s tax code, including permanent reductions to sales, income and business tax rates. The pathway incorporates aspects of existing budget proposals, including some from Perdue’s own budget and from the House and Senate.

Perdue’s listing of revenue options includes a temporary 1-cent sales tax that would expire in a year, a temporary income tax hike on individuals earning \$500,000 or more, a 50-cent per-pack increase in the cigarette tax and a 2 percent increase in beer and alcohol taxes. The governor wrote to legislators that she wasn’t trying to “micromanage the General Assembly” and that she is open to reasonable adjustments that “ensure enough revenue to protect public schools.”

Later in the week, Perdue shared the same message in her constituent newsletter.

“I continue to urge the General Assembly to work quickly to pass a budget that protects public schools and other vital services, and I have provided them with a clear pathway to do so,” Perdue said in the newsletter. “We cannot allow this recession to devastate our children’s education and our state’s future, and I hope you will join me as we continue to take that message to the General Assembly.”

Perdue’s letter to lawmakers and the list of revenue options she outlined is at <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=199>.

The Governor’s action drew praise from many education organizations, including the North Carolina Association of School Administrators (NCASA).

“We commend the Governor for continuing to take a strong stand and working to ensure the best possible state budget that protects public schools from devastating cuts and preserves a quality education for all students,” said NCASA Executive Director Bill McNeal. “We share her view that lawmakers cannot address this current economic crisis with cuts alone; we urge them instead to find a balanced approach with adequate new revenues to fund core services in K-12 education.”

While supporting the Governor's actions, NCASA has raised concerns about one of the revenue options provided on the list she sent to lawmakers. That option is a Senate proposal to eliminate the corporate income tax transfer to the Public School Building Capital Fund. Currently, this is the largest state revenue stream that funds school construction statewide, and it is one of only two state funding sources for public school construction, along with a limited amount of funding from the state lottery.

NCASA is asking lawmakers not to include this proposal in the final state budget because it would take away roughly \$60.5 million or more each year that is needed to help local school districts address the \$10 billion backlog of construction and renovation needs that exist statewide.

Along with this message, other key messages that NCASA encourages our members to share with lawmakers include the following:

- **Provide adequate new revenues to prevent devastating cuts to public education.**
- **Protect public school classrooms and jobs.**
- **Avoid deep cuts to school system central office operations,** since these cuts cannot be offset by other state or federal funds, and local funds are inadequate to cover these losses.

Contact information for budget conferees, charts and other information highlighting education budgets approved by the House and Senate, talking points about budget priorities for public schools, and other information is at <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=199>. Contact information for all Representatives and Senators is at <http://www.ncasa.net/displaycommon.cfm?an=3>.

Bill On Probationary Teachers Heads To Governor

Senate Bill 962 that provides a fourth-year probationary teacher with a right to a local school board hearing when his or her contract is non-renewed gained final legislative approval this week and has been sent to the Governor to be signed into law. The bill also allows other probationary teachers whose contracts are non-renewed at the end of years one, two and three to request a written record of reasons for dismissal.

The bill was changed significantly from its initial version, which the North Carolina Association of School Administrators adamantly opposed. The original version called for all probationary teachers to have a right to a hearing before the local board of education upon non-renewal of a contract.

“After expressing our opposition to the original version of this bill, it quickly became clear to us that it had the momentum to pass, and it was therefore better for our members if we worked to improve the legislation,” said Katherine Joyce, NCASA’s Assistant Executive Director. “We then conducted a survey of all superintendents this spring to get their feedback on the current components of the bill, and overwhelmingly, that feedback indicated that giving only fourth-year teachers a hearing and providing a record of reasons for non-renewal to other probationary teachers when asked would not be a significant problem for the LEAs. We also heard from several districts that were already making these options available to probationary teachers.”

Joyce noted that some lawmakers during the debate on this bill indicated their belief that it may actually serve as a tool to enhance teacher performance.

“Probationary teachers will know that principals will be keeping a record of their actions, and it will be to their advantage to strive for excellence in the classroom,” Joyce said. “The documentation process is already in place as part of the new teacher evaluation system that is being phased in statewide, so we hope this new option for probationary teachers to request reasons for non-renewal will not be overly burdensome to principals or other school leaders.”

The new requirements under this bill also do not eliminate or change the local school board’s authority to non-renew any contract of a probationary teacher after years one, two, three or four. In addition, the bill includes a provision NCASA requested that says a hearing is not required for fourth-year teachers if the reason for non-renewal “is a justifiable board- or superintendent-approved decrease in the number of positions due to district reorganization, decreased enrollment, or decreased funding,” which is a scenario many school districts are facing this summer.

“Our hope is that this bill, which NCASA worked to amend in consensus with NCAE and the school boards association, ultimately will result in better learning conditions in classrooms led by beginning teachers,” Joyce said. “We realize that many administrators in our membership might prefer no changes regarding non-renewals of probationary teachers, but we believe we have negotiated the best possible outcome with this legislation, given the political climate we were facing.”

If signed into law by Governor Perdue as expected, the new hearing right for fourth-year teachers would take effect with proceedings initiated after August 31, 2010, while the new right for other probationary teachers to request documentation on reasons for non-renewal applies to proceedings initiated after August 31, 2009.

Retired Teacher Re-Employment Law May Expire 9-30

With preparations for the 2009-10 school year now in high gear statewide, many school administrators and teachers are wondering if the General Assembly will pass legislation to extend the law allowing retirees to return to work as teachers exempt from the earnings cap. That special exception in state retirement law is set to expire Sept. 30 unless a new law is enacted before that time to extend this option that in 2008-09 allowed approximately 2,000 retirees statewide to work as full-time teachers without retirement penalties.

The North Carolina Association of School Administrators has been told by several lawmakers that the General Assembly is not likely to extend this special exception for retired teachers at a time when school districts may be laying off other teachers due to state budget constraints. Some key lawmakers are continuing to look at this issue and are trying to determine if they can recommend a viable option that a majority of legislators will support, and NCASA is working to assist with this effort.

In the meantime, we felt it was important to emphasize that the Department of Public Instruction has issued some guidance for handling contracts of retired teachers who may be under consideration for employment for the 2009-10 school year. That guidance is available on NCASA’s website at <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=54>.

In addition, NCASA would like to remind our members that the option for retirees to return to work subject to the earnings cap will remain viable even if the special exception for retired teachers expires Sept. 30.

NCASA will continue to monitor this issue and will provide additional updates as necessary.

Budget May Prevent Salary Cut For New Assistant Principals

School district leaders filling vacancies for assistant principals for 2009-10 may want to consider a provision that is expected to be in the final state budget that would prevent a pay decrease for any teacher who becomes an assistant principal.

“While this is not yet state law, we hope that school districts statewide will take notice of this provision now and ensure that any new assistant principal does not suffer financially for wanting to serve as a school leader,” said Dr. Shirley Prince, the new Executive Director of the North Carolina Principals and Assistant Principals’ Association (NCPAPA).

Both the House and Senate included identical budget bill language that was requested by NCPAPA and NCASA to correct a problem that has faced many other first-time assistant principals in the past and has discouraged numerous others from becoming school leaders.

The budget bills state: "A teacher who becomes an assistant principal without a break in service shall be paid, on a monthly basis, at least as much as he or she would earn as a teacher employed by that local school administrative unit." The budget bills further state that this provision becomes "effective July 1, 2009 and applies to all persons initially employed as assistant principals on or after that date."

Prince said she hopes that the state budget bill that ultimately gets signed into law will include these same provisions and that school districts will honor this likely law change now as they hire new assistant principals for the upcoming school year.

“We also wish there was some way this provision could be retroactive to cover all current assistant principals who took a pay cut when they left the classroom,” Prince said. “While that is not financially feasible due to state budget constraints, we want those assistant principals to know we are actively involved in working to implement a new National Board Certification process for school leaders that we hope they can take advantage of in the near future.”

Summary Of This Week’s Action On Bills Affecting Public Schools

Due to the July 4th holiday, NCASA’s “Weekly Bill Action Summary” and status reports on all bills NCASA is tracking for our members will be updated Monday, July 6, at: <http://www.ncasa.net/displaycommon.cfm?an=1&subarticlenbr=227>.

*For additional information on these or other legislative issues, contact
NCASA Assistant Executive Director Katherine W. Joyce at 919-828-1426 or kjoyce@ncasa.net.*