



K-12 Education: More Money & Missed Opportunities

Improving K-12 public education was one of lawmakers' top priorities for the 2007-2008 legislative sessions. In spite of boosting education appropriations, expanding selected programs and providing more incentives for teachers, the Legislature failed to effectively address a host of pressing challenges or move forward on a variety of education reform measures that enjoyed widespread public support.

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What the Legislature Did:

Boosted K-12 Appropriations

General Fund appropriations (\$7.8 billion) for K-12 education increased 16 percent over 2006-07 levels; rising by 15 percent in FY2007-08 and another 1 percent in FY2008-09.

Expanded Pre-School Funding for Untested Program

Increased funding for More at Four (\$170 million in 2008) to expand the program to serve more children. Per student costs (\$4,450) have risen steadily. The program, however, lacks evidence of credible benefits. The 2008 budget included provisions for independent annual reviews of the program.

Created Dropout Prevention Grants

Provided \$7 million in Dropout Prevention Grants in 2007 and \$ 15 million in 2008. Problems identified in 2007- poorly targeted grants and no independent evaluation – were not addressed in 2008.

Increased Disadvantaged Student Supplemental Funding (DSSF)

Boosted DSSF allotment by \$6 million to allow LEAs to meet all the needs of at-risk students. The expansion brings total DSSF funding for FY2008-09 to \$76.1 million.

Provided Financial Assistance to Alleviate Fuel Crisis

Appropriated \$35 million to school districts to respond to the escalation in gas prices. Many school districts budgeted for fuel at prices about half the current price.

Increased Financial Incentives for Teachers.

Average teacher salary increases for the 2007 and 2008 sessions combined totaled eight percent. Awarded teachers with one extra leave day per year without financial penalty.

K-12 FACTS

FY 2008-09 K -12
 Appropriations:
 \$7,802,046,538

K -12 Enrollment
 1,461,740 (2007)

K-12 POLL QUESTION

Do you think the K-12 education system in North Carolina is better or worse than other states?

Better	26 %
Worse	36 %
Same	15 %
Not Sure	23%

Civitas Decisionmaker
 Poll, June 2008



What the Legislature Didn't Do:

Lift the Cap on Charter Schools

Failed to pass recommendations of the Blue Ribbon Commission on Charter Schools or to approve HB 1638 or HB 30 to lift the cap on charter schools. Sixty-five percent of North Carolina voters support letting more charter schools operate (Civitas Institute, DecisionMaker Poll, June 2008).

Provide Strong Response to Dropout Problem

Failed to pass meaningful legislation to address the dropout rate (SB 1322, HB 1790) or to develop new ninth grade transition programs aimed at keeping troubled teens in school. Seventy-nine percent of North Carolina voters support developing 9th grade transition programs as a means of improving the dropout rate (Civitas Institute, DecisionMaker Poll, January 2008).

Help Raise Student Achievement

Failed to pass legislation requiring the use of nationally-normed tests (HB 494) for grades three through twelve. Sixty-nine percent of North Carolina voters support replacing state tests with national standardized tests (Civitas Institute, DecisionMaker Poll, January 2008).

Pass Education Tax Credits for Special Needs Children

Failed to approve legislation (HB 388) to provide parents of special needs children with tax credits of up to \$3,000 for educational expenses of a child. Sixty-four percent of North Carolina voters support developing a system of education tax credits (Civitas Institute, DecisionMaker Poll, June 2008).

Improve School Construction Formula

The current budget includes a provision that provides up to \$14 million in additional funds for school districts that failed to qualify for lottery funds based on ADM formula. The provision, however, fails to change the current formula that still allows school construction funds to be awarded to school districts that are losing population. Lawmakers also failed to approve legislation (HB 9, HB 175) that would focus school construction funds on higher growth areas.