



REPORT FROM THE NCMEA LOBBYIST  
May 12, 2019

The North Carolina House of Representatives approved its proposed budget [HB 966](#) “2019 Appropriations Act” (as of May 3, 2019) by a vote of 61 to 51. Included in this year’s proposed House budget is the requirement to include one required credit in arts education to be completed by each student at any time in grades six through 12. The State Board of Education will be given the responsibility of implementing the arts education graduation requirement beginning with students entering the sixth grade in 2022.

The proposed budget also fully restores the master’s degree pay supplement of 10% and funds a small county/low wealth signing bonus program for teachers.

In an effort to align the Program Enhancement Allotment with the new Arts Education requirement, among other reasons, the House has proposed several changes to how the Program Enhancement dollars will be calculated, allotted and used at the local level. Here is an initial summary of the *proposed* program enhancement changes in the House Budget bill, HB 966, Section 7.24 (on pages 59 and 60):

1. The Program Enhancement Teacher (PET) allotment changes from 1:191 across K-5 to 1:140 district-wide (not per school) in order to expand the allotment from merely K-5 positions to K-12 positions. (The General Assembly’s Fiscal Research staff measured roughly 11,000 PET positions statewide across K-12 in 2018).
2. The PET appropriations levels, from the original HB 90 phased-in approach, are reduced over time to take into account the increased number of PET positions (now 11,000 across K-12 rather than 3,800 across K-5), as follows:
  - a. 2019-2020 50% changed to 17%
  - b. 2020-2021 75% changed to 26%
  - c. 2021-2022 and subsequently thereafter 100% changed to 34%
3. The key takeaway is that the *new proposed* appropriation will ultimately compose about 34% of the total PET allotment; the remaining 66% will be transferred from the Classroom Teacher allotment. House budget writers intend for this to be pretty seamless to teachers; for instance, a high school Music teacher would most likely have been formerly paid out of the Classroom Teacher allotment; now, he/she would be paid out of the PET allotment.
4. House budget writers and their fiscal analysts indicate that the PET funds overall are not being reduced, just the mix of funds for teachers has changed. The class size requirements remain the same.
5. To the extent there will be concern at the local level with these PET allotment changes, the biggest concern will be for Local Education Agencies (LEAs) that did not closely align to the overall picture of PETs across K-12. (For instance, if the LEAs had significantly more or

fewer PETs than 1:140 would generate). Those LEAs will have to make adjustments to accommodate the new allotment ratios.

6. These proposed changes in Section 7.24 do not make any changes to the waiver allowances.
7. The newly proposed allotment ratio only generates the positions for an LEA; it's still up to the LEA to place those positions where it wants to as long as the class size requirements are still met. These proposed changes, in and of themselves, should not force the shift of positions to higher (high school) or lower (elementary) school levels.
8. Finally, in this House budget provision generally, funds cannot be taken out of the PET allotment, but funds can be transferred into the PET allotment from other allotments. Therefore, a superintendent's flexibility to deviate from the effects of the PET allotment is restricted, which in the end serves to protect Music Educators' positions.

#### Other General Education Highlights from the House Budget Bill

1. Overall, the plan appropriates about \$14 billion for education in 2019-20 — a 2% increase from the prior year. In 2020-21, it proposes \$14.3 billion.
2. An *average* (not across the board) 4.6% teacher salary increase beginning on January 1, 2020 (not the customary start date for an increase of July 1) – estimated \$100M recurring
3. These new salary increases (not including the step increase from year-to-year) only apply to teachers with *16 or more years of experience*. Please see proposed 2019-20 Teacher Salary Schedule below.
4. Restoration of Master's Pay (10% increase for eligible teachers) at \$8M recurring
5. An *average* 10% salary increase for principals and *average* 6% increase for assistant principals – totaling \$16M recurring
6. Expansion of the current NC Teaching Fellows program
7. \$1M program to recruit teachers to small counties and low wealth counties
8. Increase for funding for the Advanced Teaching Roles - \$500,000
9. \$30M in various School Safety Grants by 2020-21
10. An increase for Instructional Supplies at \$15 million non-recurring – this additional money would be used to give each teacher in the state \$145 to purchase classroom supplies. The total appropriation for classroom supplies in the budget is \$62.5 million

To stay up to date on the 2019 Budget Bill developments, please refer to NCDPI's Financial & Business Services webpage under "FY 2019-20 Budget Information" and "What's New":

<http://www.ncpublicschools.org/fbs/>

**Revised Teacher Salary Schedule - Effective January 1, 2020**

<b>House Budget Teacher Salary Schedule</b>					
<b>Years of Experience</b>	<b>FY 2018-19</b>	<b>FY 2019-20 (thru 12/31/19)</b>	<b>FY 2019-20 (Eff. 1/1/20)</b>	<b>% Change</b>	<b>% Change (w/ Step)</b>
0	35,000	35,000	35,000	0.0%	2.9%
1	36,000	36,000	36,000	0.0%	2.8%
2	37,000	37,000	37,000	0.0%	2.7%
3	38,000	38,000	38,000	0.0%	2.6%
4	39,000	39,000	39,000	0.0%	2.6%
5	40,000	40,000	40,000	0.0%	2.5%
6	41,000	41,000	41,000	0.0%	2.4%
7	42,000	42,000	42,000	0.0%	2.4%
8	43,000	43,000	43,000	0.0%	2.3%
9	44,000	44,000	44,000	0.0%	2.3%
10	45,000	45,000	45,000	0.0%	2.2%
11	46,000	46,000	46,000	0.0%	2.2%
12	47,000	47,000	47,000	0.0%	2.1%
13	48,000	48,000	48,000	0.0%	2.1%
14	49,000	49,000	49,000	0.0%	2.0%
15	50,000	50,000	50,000	0.0%	1.0%
16	50,000	50,000	50,500	1.0%	2.0%
17	50,000	50,000	51,000	2.0%	3.0%
18	50,000	50,000	51,500	3.0%	4.0%
19	50,000	50,000	52,000	4.0%	5.0%
20	50,000	50,000	52,500	5.0%	6.0%
21	50,000	50,000	53,000	6.0%	7.0%
22	50,000	50,000	53,500	7.0%	8.0%
23	50,000	50,000	54,000	8.0%	9.0%
24	50,000	50,000	54,500	9.0%	10.0%
25	52,000	52,000	55,000	5.8%	6.7%
26	52,000	52,000	55,500	6.7%	7.7%
27	52,000	52,000	56,000	7.7%	8.7%
28	52,000	52,000	56,500	8.7%	9.6%
29	52,000	52,000	57,000	9.6%	16.3%
30+	52,000	52,000	60,500	16.3%	16.3%