

**THE COMMONWEALTH EDUCATIONAL POLICY INSTITUTE**

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**2016 General Assembly**  
**K-12 Education Update****February 12, 2016**

*The 2016 General Assembly session gaveled to order on Wednesday, January 13. The session runs 60 days and is scheduled to end on March 12. During the session, legislators will consider more than 2,500 bills and hundreds of resolutions. A two-year state budget for fiscal years 2017 and 2018 also will be developed. "Cross-over day," the last day for each house to act on its own bills, is February 16. House and Senate versions of the FY17/18 budget are slated to be released on February 21.*

*The House Education Committee is scheduled to meet on Mondays and Wednesdays during the session at 8:30 a.m. in House Room D. The Senate Education and Health Committee will meet on Thursdays at 8:30 a.m. in Senate Room B. Sub-committees will meet periodically throughout the session. Click [here](#) for the schedule of weekly meetings.*

*During the course of the session, legislative updates will be available weekly on the CEPI website at [General Assembly Updates](#). Specific information about the General Assembly session, action on bills and resolutions, committee and subcommittee meetings, and information about legislators can be found at [2016 Session](#). If you have a question about a legislative issue during the session, contact David Blount, CEPI Policy Associate, at [dcblount2@vcu.edu](mailto:dcblount2@vcu.edu).*

**Overview/Budget Issues**

The General Assembly is racing toward Tuesday's "crossover" deadline, when all bills must be cleared from their chamber of origin. The House and Senate expect to have long floor sessions the first of next week to finish action on bills and send them to the other chamber. Many complex and sometimes controversial bills still must be debated and discussed.

Money committee members in the House and Senate are shaping their respective spending plans behind the scenes in the coming week. They now have updated state revenue information, as the Secretary of Finance reported on Thursday that total general fund revenue collections rose 6.6 percent in January. The growth was due in large part to payroll withholding, individual estimated payments and fewer individual refunds being issued. On a fiscal year-to-date basis, total revenue collections have risen 2.4 percent through January, lagging the revised annual forecast of 3.2 percent growth. Collections of payroll and sales taxes, along with corporate income taxes, all are behind estimates for the fiscal year, while non-withholding collections are beating projections. Budget writers will use the updated information in shaping

their changes to Governor McAuliffe's introduced budget. They remain cautious about where revenues are trending as they prepare FY17 and FY18 proposals for their February 21 deadline.

Click [here](#) for additional information about Governor McAuliffe's proposed changes to the public education budget for the remainder of FY16; and [here](#) for the proposed FY17/FY18 education budget.

## **Education Legislation**

After considerable delay, both chambers finally are taking up proposed charter schools referenda. The legislation provides for a referendum at the November election on whether to grant the Board of Education (BOE) the authority to establish charter schools within local school divisions. On a narrow 52 to 47 vote on Friday, the House approved [HJ 1](#). The corresponding enabling legislation to facilitate the referendum being placed on the ballot, [HB 3](#), received preliminary approval. The Senate is slated to consider its referenda and enabling bills, [SJ 6](#) and [SB 588](#), on Monday.

On a related note, the House also spent considerable time on Friday debating [HB 565](#). The bill makes several changes to the charter schools law that would be tied to approval of the referenda, namely providing for BOE approval of a charter school application denied by a local school board. The BOE could approve no more than five applications per year. An amendment was added on the floor that stipulates that either the State or the charter school applicant would pay for the construction of such charter school. The patron of the legislation pleaded with his colleagues that "public schools have nothing to fear from a little competition and all to learn from it." Opponents argued that the General Assembly should not allow a state appointed board to bypass the wishes of a local elected board. The bill received preliminary approval. Its Senate counterpart, [SB 734](#), is on the Senate floor for debate next week.

After some delay, [HB 518](#) finally was given final approval on the House floor this past week. The revised bill, which must pass next year to take effect, directs the BOE to select 12 schools identified in need of improvement under the federal Every Student Succeeds Act and those school boards must allow students in them to attend another school in the division. The bill was approved 57 to 42.

Staying on the school choice theme, the House Appropriations Committee (HAC) approved [HB 389](#) on a 14 to 8 vote on Friday. The bill permits the parent of a public school student to apply to the relevant local school division for a one-year, renewable Parental Choice Education Savings Account, to consist of 90 percent of all applicable state per pupil and sales tax funds applicable to the student, for use at a private or religious school or for various other education expenses.

The House Finance Committee defeated two additional bills. These were:

- [HB 1018](#) to modify the educational improvement scholarships tax credit program by increasing the tax credit from 65 to 90 percent of the value of donations made to nonprofit scholarship foundations;
- [HB 1019](#) to change the program by including as eligible scholarship recipients, children enrolled in or attending nonpublic Pre-K programs.

Also this past week, the HAC approved [HB 8](#), which establishes the Virginia Virtual School for the purpose of providing online educational programs and services. For each student enrolled,

the average per-pupil share of state SOQ funding would be transferred to the virtual school, beginning with the 2017-18 school year.

Bills to make enforcement of passing stopped school bus laws more effective and efficient are making their way through the process. [HB 168](#) and [SB 120](#) are bills that, for localities that install and operate video-monitoring systems on school buses for recording violations of unlawfully passing a stopped school bus, allow them to execute a summons for such violation by mailing a copy of the summons to the owner of a vehicle that unlawfully passed the bus. The Senate has approved its version of the bill, while the House version has been approved unanimously in Committee.

[HB 895](#) is on the House floor for consideration. It removes existing provisions related to standard and advanced studies diplomas and standard and verified units of credit, and requires establishment of a Profile of a Virginia Graduate that identifies the knowledge and skills that students should attain during high school. The Senate unanimously approved its version of the bill, [SB 336](#).

The Senate Finance Committee unanimously defeated [SB 151](#) that would have created a tax credit of up to \$500, beginning in 2017, for teachers who paid for materials used in teaching, provided that such payments were not reimbursed or claimed as a deduction on the teacher's federal tax return (which allows for a \$250 deduction). The bill would have hit state revenue collections to the tune of almost \$49 million.

Finally, the House has scuttled consideration of utilizing use value of real estate in calculating the local composite index. [HB 191](#) would have directed such value be used. It was defeated in the House Education Committee. [HJ 50](#), which called for the Department of Education to study this issue, was rejected by the House Rules Committee.

### **E-mail Response**

Questions or seeking more information? Please [contact CEPI](#) if you have any questions or need additional information about the 2016 General Assembly.