

Introduction

The 2005 Session of the North Carolina General Assembly convened on January 29, 2005, and adjourned on September 2, 2005. Members filed 2,984 bills and resolutions, of which 522 became law. At adjournment, 118 bills were in the Governor's office awaiting his action. The Governor allowed three bills to become law without his signature, and he vetoed one bill, HB 706, Facilitate Hiring of Teachers. He called the legislature back into session on October 12, but legislators chose not to override the veto. Instead they directed the Chairman of the State Board of Education to convene a Working Group on Teacher Licensure and Retention to look at ways to facilitate hiring of teachers from other states, especially those with fewer than three years experience.

The legislature faced a host of controversial issues in this session, not least of which were the lottery and increasing the cigarette tax. Other issues that stayed hot throughout the session included lobbying reform, studying the death penalty, pay raises for teachers and state employees, restricting sale of cold medicines to stem the production of methamphetamine in home "labs," and resolving the 2004 election for Superintendent of Public Instruction. Many of these issues were resolved – the lottery did pass, the cigarette tax has increased, the lobbying reform bill passed, teachers will see pay increases that will include an additional \$85 million each year of the biennium to bring North Carolina closer to the national average again, North Carolina now has one of the strongest "meth" bills in the country, and the election of State Superintendent of Public Instruction was finally settled. Dr. June St. Clair Atkinson was sworn in by the Secretary of State, Elaine Marshall on August 23, 2005, and immediately got down to work.

On the education front, the most prominent issues were related to school funding, to the development, recruitment, and retention of highly qualified teachers, and to high school reform. The really good news is that a number of promising initiatives were passed dealing with quality teachers and high school reform. The somewhat good news is that funding for public schools improved at the end from what at some points in the session looked to be a depressing budget for public schools. Some early drafts of the budget would not have provided as much on average, per pupil, as in 04-05. The less happy news is that funding is not keeping pace with the needs of our schools, which are facing greater challenges than ever before. Despite significant increases in actual dollars spent on public schools – most of which are tied to substantial increases in numbers of students and inflationary increases - the Public Schools' percentage share of the State's General Fund has decreased by 13.34% since 1970. If schools were funded at the same percentage of the General Fund as in 1970, they would have more than \$2.2 billion additional dollars to address their critical needs. Most disappointing this year was that the public schools were again required to return a portion of the increase in their operating budgets to the State in a \$44.3 million dollar "discretionary reduction." Since well over 90% of local school budgets is tied up in salary and benefits, most school systems have no choice but to take a big part of this mandatory discretionary reduction in personnel areas, meaning they can hire fewer teachers, teacher assistants, or other personnel to work with students.

This *2005 Report on Education Legislation* includes summaries and, in the appendix, the full text of all legislation affecting public schools from the 2005 session of the North Carolina General Assembly. For additional information on the actions of the General Assembly, please visit the DPI webpage (www.ncpublicschools.org) or contact the State Board of Education Legislative Office, Education Building, 301 N. Wilmington Street, Raleigh, NC 27601-2825.