



# Issues Update

April 5, 2016

*Issues Update* is a report from the Kentucky Association for Career and Technical Education (KACTE) written by Executive Director Michael R. Stone and presented on its website, [www.kacteonline.org](http://www.kacteonline.org). As needed, *Issues Update* will report on state and federal Career and Technical Education (CTE) policy and legislative developments. KACTE and Stone can be reached at [kmstone1951@gmail.com](mailto:kmstone1951@gmail.com) or 502-223-1823.

## General Assembly Session Nears End Without Adopted Budget

The Kentucky General Assembly will meet next on April 12, 2016, which will be the 60th and final day of its even-year session. The primary business during even-year sessions is passage of biennial budgets for executive branch agencies, the judiciary, the General Assembly, and the road fund. Most Kentucky state government programs are funded through the executive branch budget, and to date negotiations between the House and Senate have failed to resolve differences in their respective budget plans.

Governor Matt Bevin has said he will veto any budget that does not meet his goals for reduced state spending and funding of the public employee and teacher retirement systems. It is possible House and Senate negotiators could achieve an agreement acceptable to the Governor before April 12 and quickly pass the budget that day. The General Assembly session ends at midnight on April 12, and it would not be able to override a gubernatorial veto of the budget or any line item. Without a budget, the Governor could operate essential state services after July 1, 2016, or he could call the General Assembly back into a special session to pass a budget.

**THE DIFFERENCES IN THE BUDGET** focus largely on spending for postsecondary education, how much funding to direct toward the pension systems, and the size of a reserve or "rainy day" fund. For secondary CTE, there are no differences. The House and Senate agree with the Governor's original proposal to maintain the current SEEK funding for basic K-12 education at \$3,981 per student, which totals more than \$3 billion each year of the biennium (July 1, 2016-June 30, 2017 and July 1, 2017-June 30, 2018). Secondary Vocational Education is slated at \$22.8 million each year, which maintains the Kentucky TECH system of Area Technology Centers. Locally Operated Vocational Programs are funded at the current level. Vocational Transportation is budgeted at \$2.4 million each year, the same as the current level.

Budget items that could impact secondary CTE are differences in spending for ACT and WorkKeys testing (\$100,000 less in the Senate budget), professional development (\$1 million less), Teacher's Professional Growth Fund (\$175,000 less), instructional resources (\$1.7 million less), and Teacher Recruitment and Retention Program-Educator Quality and Diversity (\$100,000 less). The Senate

eliminated additional funding for the Kentucky School for the Deaf and the Kentucky School for the Blind.

**THE KENTUCKY COMMUNITY** and Technical College System (KCTCS) will be reduced from its current level regardless of which version of the budget is adopted. The House sets the KCTCS funding at \$916 million in 2016-17 and \$946 million in 2017-18, compared to the current level of \$993 million. The Senate suggests \$899 million in 2016-17 and \$886 million in 2016-17. Neither the House nor the Senate included the Governor's \$100 million proposal to issue bonds for "workforce education." The House included a \$37 million proposal to pay community college tuition for students seeking technical certificates. The Senate rejected the idea.

Although there is more than \$1 billion available than in the current budget for each year of the biennium, the Governor proposed a 4.5 percent cut to most government operations in the current fiscal year ending June 30, 2016, including postsecondary education; and 9 percent cuts in the same programs in 2016-17 and 2017-18. Both the House and the Senate rejected the 4.5 percent cut in current year spending, but the Governor issued an executive order in late March to impose the cut. Generally, the 9 percent cut in each year of the biennium is maintained in all proposals. However, the House did not fund a special reserve account of \$500 million proposed by the Governor. Instead, it maintained current funding levels for all education programs: elementary, secondary and postsecondary.

**THE KENTUCKY TEACHERS'** Retirement System (KTRS) would receive \$635 million in 2016-17 and \$630 million in 2017-18 under the Governor's proposal. The House increased that amount to \$814 million and \$796 million, respectively. The Senate budget proposal is \$771 million and \$721 million, respectively.

**SB1**, the comprehensive educational accountability legislation that passed the Senate failed to get a hearing before the House Education Committee. There will be no further action this session. KACTE will update a list of education bills posted on its website in the *Issues Update* section, [www.kacteonline.org/archives.php](http://www.kacteonline.org/archives.php).

*Issues Update continues . . .*

# Commissioner's Town Halls, Perkins Reauthorization Continue

CTE professionals are reminded of their opportunity to voice their concerns about educational policy in Kentucky at a series of town hall meetings organized by Commissioner of Education Stephen Pruitt, Ph.D. There are seven town hall sessions remaining.

- April 7, **Lexington**, at Kentucky High School Athletic Association.
- April 11, **Corbin**, at Southeast/Southcentral Educational Cooperative-Corbin Center.
- April 18, **Ashland**, at Kentucky Educational Development Corporation Ashland Conference Center.
- April 21, **Louisville**, at Seneca High School Magnet Career Academy-Stickler Theatre.
- April 25, **Northern Kentucky**, at Northern Kentucky University James C. and Rachel M. Vortuba Student Union Ballroom.
- April 27, **Bowling Green**, at GRREC Offices and Training Center.
- April 28, **Murray**, at Murray Middle School Auditorium.

Driven in part by the newly reauthorized federal Elementary and Secondary Education Act -- *Every Student Succeeds Act* (ESSA) -- the sessions focus on the question: **How does Kentucky define school success?** Pruitt said at the first session in Shelbyville on March 14: "ESSA provides an opportunity to create a new assessment and accountability system that will be fair, reliable, easier to understand, and more meaningful to kids." He challenged the attendees to present what we value as Kentuckians in a public education system.

"**WE CAN'T CREATE** a new system without the people who will (work) in the system," he explained. "Why build a system that doesn't matter to the people who work in it?" He said his hallmarks are equity, achievement and integrity. There is a guarantee that every single child has a quality education; that every child has opportunity. The proposal for the new system is due September 2017. In addition to the listening sessions, written comments may be sent to [KyEdListens@education.ky.gov](mailto:KyEdListens@education.ky.gov).

The comment portion of the session was guided by the overarching question: How does Kentucky define schools success? There are five sub-questions:

1. What do you expect from our schools?
2. What school characteristics are most important?
3. How should we measure school success?
4. How do we ensure all schools are successful?
5. How should we celebrate student success?

## Perkins Reauthorization

Congressional action to reauthorize the *Carl D. Perkins Career and Technical Education Act* continues. The Association for Career and Technical Education (ACTE) reported on March 25 that the Senate Health, Education, Labor and Pensions Committee staff have been meeting to

develop an outline for *Perkins Act* reauthorization priorities. In the House, ACTE reported reauthorization remains a priority for the Education and Workforce Committee.

**KACTE SPOKE WITH** Emily Buckman, legislative aide to Congressman Brett Guthrie, District 2, on March 23. She advised that the Congressman, who is a member of the Education and Workforce Committee, wanted information on CTE in Kentucky in anticipation of action to reauthorize the Perkins Act. **She asked whether there was anything in Kentucky seen as an issue for reauthorization?**

In response, KACTE Executive Director Mike Stone said the first emphasis is the importance of the *Perkins Act*, which is a model of federal-state legislation. The *Perkins Act* sets the national priority that there needs to be CTE education, but states and localities have the flexibility to design the systems that best fit their needs.

It also is likely that without the existence of the *Perkins Act* and its carrot of federal money, many CTE programs would have disappeared in the emphasis to achieve academic accountability measures. The *Perkins Act* was key in preserving CTE, which is an essential pathway for individuals to achieve careers in in-demand, sustainable jobs. Many of those jobs build and maintain the nation's economic and physical infrastructure.

Stone stressed the need for career counseling, not just for potential CTE students but for all students. The career counseling needs to begin earlier.

**HE ALSO NOTED** the need for equitable access to opportunity, which is very important in Kentucky, which has a dichotomy between relatively wealthy, more urban areas and less advantaged rural areas, while also noting the importance of equal opportunity for genders, races, etc.

These three points are ones frequently mentioned by KACTE members. Additional items are summarized by ACTE for Perkins Reauthorization (available at <http://www.acteonline.org/policy/#.VusH2ShQkUU>). Kentucky is a leader in some of these areas, particularly employer involvement, including both KyFAME and TRACK.

## CTE Return on Investment

KACTE delivered a letter to the Kentucky General Assembly advising that investing in CTE produces a positive return on investment (ROI). Cited were statistics collected by ACTE from CTE programs across the nation. Highlights are:

- In Washington state, for each \$1 invested in secondary CTE, taxpayers receive a \$9 return on investment (ROI).
- In Wisconsin, taxpayers receive \$12.20 in benefits for every \$1 invested in the technical college system.
- In Tennessee, CTE overall returns \$2 for every \$1 invested.
- In Oklahoma, graduates of Moore Norman Technology Center have grown Oklahoma's economy by more than \$450 million over four years.