Legislative Report | April 2024

Governors' legislative and budget proposals in Florida, Georgia, Kentucky, Mississippi, South Carolina, Virginia and West Virginia



SREB

Legislative Report

Governors' legislative and budget proposals

This report presents a summary of the education budgets recommended by the governors of SREB member states. It includes annual budget proposals from Florida, Georgia, Mississippi, South Carolina and West Virginia and biennial budget proposals from Kentucky and Virginia. Note that the summaries only take into consideration the state funds. The report aims to provide a comprehensive overview of the proposed education allocations and highlight the legislative priorities of the governors for the upcoming fiscal year.

Florida (http://focusonfloridasfuture.com/)

Gov. Ron DeSantis' Focus on Florida's Future budget proposal for 2024-25, presented as continuing the governor's commitment to sound fiscal policy and fiscal responsibility, would see overall general funds down 1% to \$46 billion and include the elimination of more than 1,000 state government positions. A proposed one-year exemption taxes, fees and assessments for residential property insurance policyholders would reduce revenues by an estimated \$409 million.

Multiple sales tax holidays — for school supplies, outdoor recreation purchases, disaster preparedness supplies, tools and equipment used by skilled workers — would cost more than \$475 million. The governor proposes two back-to-school sales tax holidays for school supplies, as students return from summer and winter breaks.

While statewide general funds would decline, general funds to state colleges and universities would rise 1.2% to \$5.1 billion. General funds for K-12 education would rise 8.6% to just under \$15 billion.

Southern Regional Education Board SREB.org

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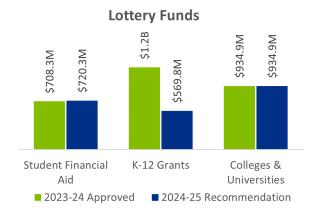
General Funds



Florida Education Enhancement Lottery Funds

- Total lottery funding declined 20.3% to \$2.5 billion
- K-12 grants declined 52.8% to \$569.8 million
 - Florida Education Finance Program funding declined 57.3% to \$470.4 million
 - Class Size Reduction funding down 4.3% to \$99.3 million
- Student financial aid funding up 1.7% to \$720.3 million
 - Bright Futures funding up 2% to \$602.7 million
 - Florida Student Assistance Grant unchanged at \$117.6 million

- Also unchanged:
 - Workforce education, \$148.3 million
 - · State college system, \$273.9 million
- State universities, \$661 million



Florida K-12 Grants General Funding

- Total funding at \$13.9 billion, up 8.2%
- Class Size Reduction funding unchanged at \$2.6 billion
- Florida Education Finance Program funding up 10.3% to \$11.3 billion

K-12 Grants General Funds

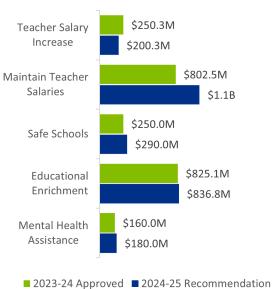


Combined Lottery and General Fund Florida Education Finance Program Allocations

- Total funding at \$11.8 billion, up 3.7%
 - Enacting teacher salary increases \$200.3 million, down 20%
 - Maintain teacher salary increases \$1.1 billion, up 31.2%
 - Safe Schools activities \$290 million,
 - Educational enrichment \$836.8 million, up 1.4%
 - Mental health assistance \$180 million, up 12.5%

and Lottery \$250.3M

FEFP Allocations - General Fund



Florida Other K-12 Priorities

- \$45 million for Florida Civics Seal of Excellence up to 15,000 educators to receive \$3,000 stipend for receiving Florida Seal of Excellence endorsement
- \$7.2 million for educator reading instruction micro-credentials and endorsements
- \$42 million for School Hardening Grant to improve the physical security of school buildings
- \$5 million for district threat management coordinator in each school district

Florida Higher Education and Student Aid

- Student financial aid general funding up 0.9% to \$296.3 million
 - Includes level \$35 million for Open Door Grant Program, funding programs to supply credentialed workers for high-demand occupations
- Florida college system general funding up 1.2% to \$1.5 billion
- State universities general funding down 0.4% to under \$3.7 billion

Higher Education and Student Aid \$293.7M Student Aid \$296.3M State Universities \$3.66B \$1.46B State Colleges \$1.48B ■ 2023-24 Approved ■ 2024-25 Recommendation

Florida Early Learning

- School readiness services unchanged at \$278.3 million
- Voluntary pre-K up 6.9% to \$456.6 million
 - Includes \$6.9 million to establish Summer Bridge Program for pre-K students exhibiting substantial deficiencies in early literacy skills



Florida Workforce Education

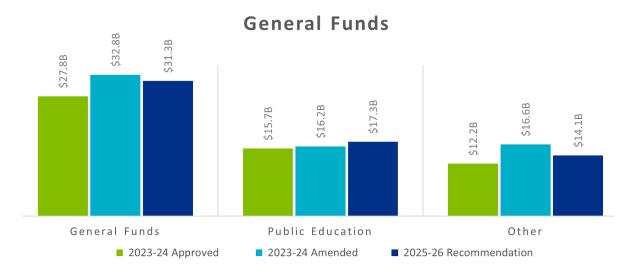
- School district workforce education funding unchanged at \$278.3 million
- Other workforce education appropriations would decline 8.1% to \$60.1 million
- Would include \$200 million for Workforce
 Development Capitalization Incentive Grant
 — double the prior-year amount appropriated
 in Senate Bill 240 of 2023 for school districts
 and state

Workforce Education



Georgia (https://opb.georgia.gov/)

In Gov. Brian Kemp's budget proposal and the State of the State address, the governor committed to putting the citizens of Georgia first by prioritizing education, public safety and healthcare. In addition to providing a \$1,000 one-time bonus to all state employees in the 2023-24 amended budget, Kemp proposed a \$2,500 salary increase for K-12 teachers and certified employees and a 4% cost-of-living adjustment for state employees in the 2024-25 budget. Other budget priorities include updating public school transportation formula funding, increasing funds for school safety and security, maintaining quality health and retirement benefits for educators, and reducing the income tax rate to 5.39%.

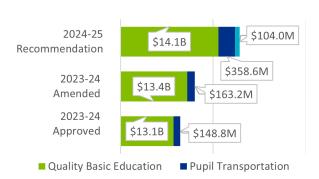


Georgia Key Education Highlights: K-12

- Quality Basic Education formula funding:
 - \$13.4 billion in 2023-24 amended budget, up 2.3% from 2023-24 original budget
 - \$14.1 billion in 2024-25, up 7.4% from 2023-24 original budget
- School transportation formula updates:
 - \$163.2 million in 2023-24 amended budget, up 9.7% from the original budget
 - \$358.6 million in 2024-25, up 141% from the 2023-24 original budget

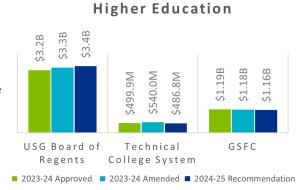
 Nearly \$104 million in 2024-25 to establish a recurring school security grant program to help schools provide safe learning environments for students

Department of Education



Georgia Key Education Highlights: Higher Education

- \$3.4 billion in 2024-25 for the University System of Georgia, up 6.2% from the 2023-24 original budget
 - Includes \$3.1 billion for teaching, up 6.8%
- \$486.8 million in 2024-25 for the technical college system, down 2.6% from 2023-24 original budget
- Nearly \$1.2 billion in 2024-25 for the Georgia Student Finance Commission, down 2.8% from 2023-24 original budget including \$91.3 million for dual enrollment (up 19.8%)



Georgia Scholarship Lottery Funds

- \$489.8 million for Bright from the Start Pre-K program, up 10.4%
- Funding for aid programs would decline, reflecting a reduction in the expected program expenditure:
 - \$865.8 million for HOPE Scholarships for public schools, down 1%
 - \$74.8 million for HOPE Scholarships for private schools, down 18%
 - \$59.9 million for HOPE Grants, down 25.7%

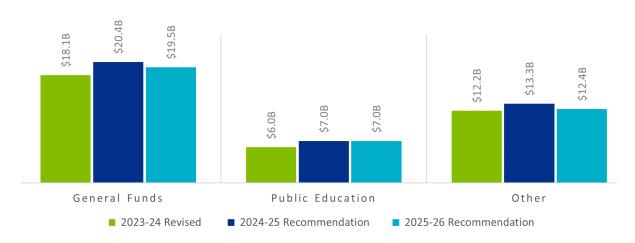


Kentucky (http://osbd.ky.gov/)

Gov. Andy Beshear's budget proposal for 2024-26 biennium — "Forward, Together" — takes advantage of state budget surpluses accumulated over the last few years and recommends heavy investment in a variety of areas, including all levels of education, critical infrastructure projects, economic development, health care and public safety. It devotes non-recurring funds solely to non-recurring expenses, paying down Kentucky's largest pension liability and debt from deferred maintenance. Notable education investments include an 11% salary increase for school personnel, a 4% increase in the base per-pupil funding formula, universal preschool for all 4-year-olds, statewide full-day kindergarten and fully funded student transportation.

The statewide general fund would total nearly \$20.4 billion for 2024-25, up 12.3% over the 2023-24 budget, and \$19.5 billion for 2025-26, down 4.4% from the first year of the biennium. Public education at all levels would total \$7.1 billion including \$5.5 billion (up 21%) in 2024-25 for the Kentucky Department of Education and \$1.5 billion (up 7.8%) in 2024-25 for public higher education.

General Funds

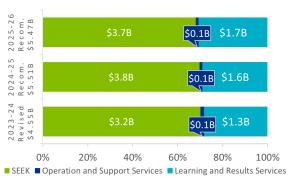


Kentucky Key Education Highlights: K-12

- \$3.8 billion in 2024-25 (up 20.3% from 2023-24) and \$3.7 billion in 2025-26 (down 3.2% from 2024-25) for the Support Education Excellence in Kentucky, or SEEK, funding formula including:
 - Nearly \$2 billion in 2024-25 (up 4.1% from 2023-24) and \$1.9 billion in 2025-26 (down 4.3% from 2024-25) for base allotment, increasing the amount from \$4,200 to \$4,368 per student
 - \$398.9 million for student transportation in each year, which includes an additional \$124.4 million compared to the 2022-24 biennium to fully fund transportation

• \$545 million in funding each year for teacher and school employee salary increases

Department of Education



- \$1.6 billion in 2024-25 (up 24% from 2023-24) and \$1.7 billion in 2025-26 (up 5.2% from 2024-25) for learning and results services including:
 - \$172 million each year for universal preschool for all 4-year-olds
 - \$2 million each year for Read to Succeed, providing statewide professional learning for early literacy and numeracy
 - \$12.4 million each year for professional development to restore past budget cuts

Kentucky Key Education Highlights: Higher Education

- \$1.1 billion in 2024-25 (up 7.5% from 2023-24) and \$1.1 billion (up 3.6% from 2024-25) for higher education including:
 - \$799.2 million in 2024-25 (down 1.9%) and \$830.9 million in 2025-26 (up 4%) for statefunded colleges and universities
 - \$194.7 million in 2024-25 (down 2.7%) and \$202.3 million in 2025-26 (up 3.9%) for Kentucky Community and Technical College System
- \$415.6 million (up 7.6%) and \$425.8 million (up 2.5%) for Kentucky Higher Education Assistance Authority
- The proposal includes three new general funded loan forgiveness programs:
 - \$26.3 million per year for teacher loan forgiveness
 - \$20 million per year for state employee loan forgiveness

- \$3 million per year for social service worker loan forgiveness
- \$500,000 in 2024-25 and \$750,000 in 2025-26 for a new Kentucky State University scholarship program for students pursuing degrees in nursing or social work

Postsecondary Education



$\pmb{Mississippi} \ \ (\underline{\rm https://governorreeves.ms.gov/})$

Gov. Tate Reeves' executive budget recommendations for fiscal year 2024-25 would provide general funds of nearly \$8 billion, up 1.5% from the 2023-24 appropriation. Reeve's priorities highlighted in the proposed budget include maintaining the state's economic momentum by reducing the income tax to 3% with the aim of totally eliminating it by 2029, educating the future workforce by protecting parents' rights, improving healthcare quality and public safety, and protecting children and women. His top education priorities are to fully fund the Education Scholarship Account program, provide customized training to support Mississippi's unique communities, invest in patriotic education, and establish a parents' bill of rights to recognize and reaffirm the rights of parents.

State allocations for the department of education would rise 0.2% to nearly \$3.1 billion while overall higher education funding would total just over \$1 billion, down 7.3%.

2024-25 Recommendation Total \$7.96B 2023-24 Appropriation Total \$7.84B K-12 \$3.09B K-12 \$3.09B

Higher Education

\$1.12B

General Funds

Mississippi Key Education Highlights: K-12

Other \$3.83B

- \$1.8 million to fully fund the ESA program to provide additional educational opportunities for parents of children with disabilities
- \$5 million for patriotic education grants to local school districts

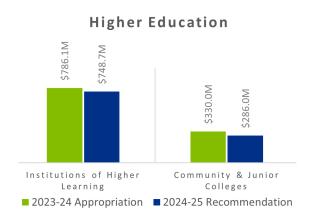
Higher Education

\$1.03B

 A Parents' Bill of Rights to reassert that parents represent the sole decision-making authority for their children's education

Mississippi Key Education Highlights: Higher Education

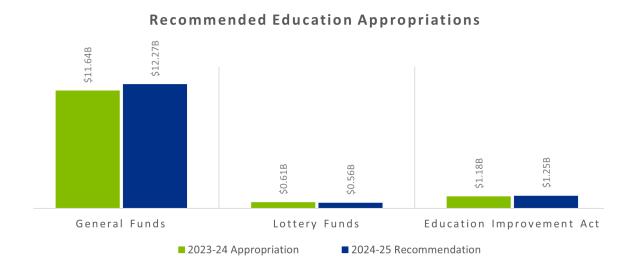
- \$748.7 million for state universities and colleges, down 4.8%
- \$286 million for community and junior colleges, down 13.3%



South Carolina (http://www.governor.sc.gov/)

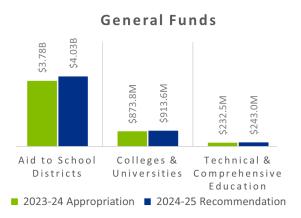
In early January Gov. Henry McMaster announced a nearly \$12.3 billion general fund budget proposal for 2024-25, a 5.5% increase over the 2023-24 appropriations. McMaster described his proposal as a fiscally responsible budget that prioritizes providing income tax relief by dropping the rate from 6.4% to 6.3%, making targeted economic development through investing in SC Nexus and supporting EV training institutes. The key education priorities of the budget include staying on track with teacher pay, making the starting salary \$45,000 with the goal of increasing it to \$50,000 in 2026, and freezing in-state college tuition for the fifth consecutive year.

Lottery funds dedicated to education and Education Improvement Act funds would total \$0.56 billion, down 7.9%, and \$1.3 billion, up 6.4%. General funds for K-12 education would total \$4.3 billion, up 6.1% and higher education would total \$1.2 billion, up 4.2%.



South Carolina Key Education Highlights: General Funds

- \$4 billion for state aid to school districts, up 6.6%
- \$913.6 million for state colleges and universities, up 4.6%
- \$243 million for technical and comprehensive education, up 4.5%
- \$41.2 million for Commission on Higher Education, down 0.4%
- \$28.3 million for Higher Education Tuition Grants Commission, up 0.04%



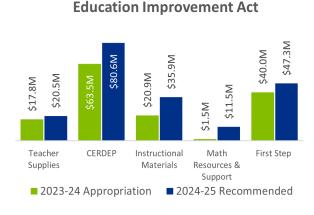
South Carolina Key Education Highlights: Education Improvement Act

- \$20.5 million for classroom teacher supplies, up 15.2%
- \$80.6 million for Child Early Reading and Development Education Program, up 27.1%
- \$35.9 million for quality instructional materials, up 71.7%
- \$11.5 million for math resources and support, up 666.7%
- \$47.3 million for First Step to School Readiness, up 18.1%
- \$34.5 million for national board certification, down 22.5%
- \$10 million recurring funds for career ladder teacher strategic compensation program
- \$15 million recurring funds for retaining teachers in critical needs subject areas
- \$3 million recurring funds for early literacy teacher training

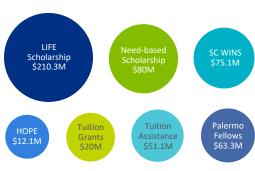
South Carolina Key Education Highlights: Lottery Funds

For 2024-25, the estimated education lottery revenue would total \$560.7 million which includes the following:

- \$210.3 million for LIFE scholarships
- \$80 million for need-based scholarships
- \$75.1 million for South Carolina
 Workforce Industry Needs Scholarships
- \$63.3 million for Palmetto Fellows
- \$51.1 million tuition assistance at two-year institutes



Lottery Funds



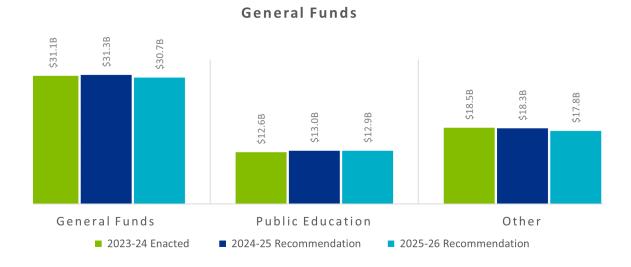
- \$20 million for Tuition Grants for students attending private colleges and universities
- \$12.1 million for HOPE scholarships
- \$5 million for ReadySC to support direct training

Virginia (http://dpb.virginia.gov/budget/)

In late December 2023, Gov. Glenn Youngkin unveiled his Unleashing Opportunity biennial budget proposal for 2024-26, which aims to modernize Virginia's tax code and make large investments in education, job growth, workforce development, behavioral and mental health, childcare initiatives, safe communities and good governance measures. Youngkin emphasized reversing Virginia's ongoing population losses to other states through the unleashing of opportunities in his proposal.

Key education priorities of the budget include providing public school instructional and support staff a 1% bonus in 2024-25 (on top of the 2% teacher salary increase in the current fiscal year) and a 2% salary increase in 2025-26. The budget would also cut income tax rates for all Virginians by 12% and raise sales tax from 4.3% to 5.2%. Other priorities include providing additional funding for the Virginia Business Ready Sites Program to attract transformative businesses and increasing funding for the Building Blocks for Virginia Families initiative to provide high-quality early childhood programs to low-income families.

For 2024-25, Youngkin recommends general funds totaling \$31.3 billion — a 0.7% increase over the 2023-24 amended budget — and for 2025-26, \$30.7 billion — a 1.9% decrease from the 2024-25 proposal. General funds for all levels of education would total nearly \$13 billion, up 3% over the prior year's amended budget. Funding for public colleges and universities would total approximately \$2.3 billion in 2024-25, up 13% from 2023-24 amended amount, and \$2.3 billion in 2025-26, down 0.7% from 2024-25 proposed amount.



Virginia Key Education Highlights: K-12

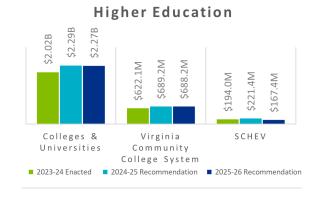
- \$30.5 million in 2024-25 and \$30.7 million in 2025-26 to expand reading specialist staffing
- \$30 million in each year for College Partnership Laboratory Schools
- \$20 million in each year for Diploma Plus grants to support the attainment of high-demand industry-recognized credentials
- \$53 million to provide a 1% salary bonus for teachers and school employees in 2024-25
- \$122.8 million to provide a 2% salary increase for teachers and school employees in 2025-26
- \$630,000 for Reach Virginia to provide teacher retention services to Virginia public school divisions in 2024-25

FY 2024-25 FY 2025-26 Recommendations Recommendations **Reading Specialist** Reading Specialist College Lab Schools College Lab Schools \$30M \$30M **Diploma Plus Grants** Diploma Plus Grants \$20M 1% Educator Bonus 2% Educator Bonus \$122.8M \$53M Reach Virginia \$630,000

K-12 Allocation

Virginia Key Education Highlights: Higher Education

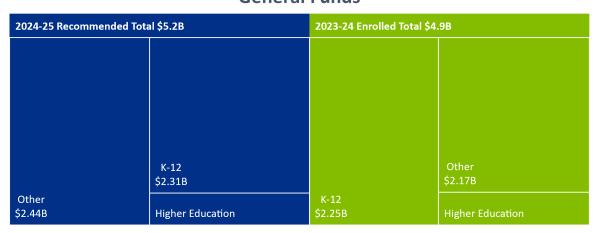
- Nearly \$2.3billion in 2024-25, up 13% and \$2.27 billion in 2025-26, up 12.2% from 2023-24 for state-funded colleges and universities
- \$689.2 million in 2024-25, up 10.8% and \$688.2 million in 2025-26, up 20.6% from 2023-24 for Virginia Community College System
- \$221.4 million in 2024-25, up 14.1% and \$167.4 million in 2025-26, up 13.7% from 2023-24 for the State Council of Higher Education for Virginia



West Virginia (https://budget.wv.gov/)

In his final State of the State address, Gov. Jim Justice proposed a nearly \$5.3 billion general fund budget for 2024-25, up 7.1% from the 2023-24 enrolled budget. The key highlights of the budget include eliminating the social security tax for all taxpayers, establishing a child and dependent care tax credit, and raising salaries by 5% for state employees — including teachers and service personnel. Funding for public K-12 education would rise 2.7% to \$2.3 billion and for post-secondary education would rise 3.6% to \$474.6 million.

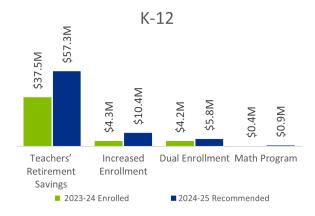
General Funds



West Virginia Key Education Highlights: K-12

- \$57.3 million for teachers' retirement savings, up 52.5%
- \$10.4 million for increased enrollment, up 145.6%
- \$5.8 million for dual enrollment, up 38.3%
- \$886,532 for math program, up 129.4%
- \$1.4 billion for basic foundation formula funding, up 6%
- \$2.3 million for attendance incentive bonus, up 10%
- \$18.2 million for Hope Scholarships, down 24%

- \$150 million for the School Building Authority
- \$5 million for public charter school seed funding



West Virginia Key Education Highlights: Higher Education

- \$304.1 million for state-funded colleges and universities, up 3.8%
- \$87.5 million for community and technical colleges, up 3.4%
- \$81.1 million for West Virginia Higher Education Policy Commission, up 3.2%
- \$30 million for the Nursing Workforce Expansion Program
- \$50 million for a new state-of-the-art agricultural lab at West Virginia State University

