



CATHOLIC CONFERENCE OF ILLINOIS

Education Legislative Update

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The Illinois General Assembly adjourned in the early morning hours of June 1st after passing Medicaid reform and the FY 2013 state budget but failing to come to agreement on pension reforms. The Governor and legislative leaders are expected to call legislators into a special session in the coming weeks to deal with the pension crisis.

The Medicaid reforms passed by the legislature were significant. The reforms reduced the State's Medicaid liability by \$1.4 billion, cut spending significantly and included a \$1 per pack cigarette tax increase.

The \$33.7 billion FY 2013 budget, which cuts discretionary spending by \$700 million, was approved despite House Republican opposition stemming from pension reform disagreements. In addition to Medicaid reforms, some of the other budget highlights include:

- \$161.5 million reduction in General State Aid to public schools;
- \$24.9 million reduction in early childhood funding;
- Regional Offices of Education will now be funded by the Personal Property Replacement Tax;
- University budgets reduced by 6%;
- Monetary Assistance Program funding for college students reduced by \$15.3 million;
- General across-the-board reductions by 20% for general service agency grants.

Pension reforms were hotly debated in the final few days of the session. The Democrats' proposal, which included a shifting of the pension costs for suburban and downstate teachers from the state to local government, was opposed by House and Senate Republicans. The Senate Democrats passed legislation crafted as a compromise, but that bill was ultimately never considered in the House. The issue will be even more challenging to address in a Special Session because a super-majority vote will be required in both legislative chambers to approve any measure. Anyone who doubts the state of Illinois and its pension system are in crisis need only to reflect that the pension system is less than half-funded with a funding gap of approximately \$83 billion and that of the \$7 billion generated from the January 2011 tax increase, \$5.7 has gone to cover government-employee benefits.

Other legislative highlights this year include elimination of the much-criticized Legislative Scholarship program, changes to the procurement code and an expansion of on-line Lottery offerings. Lawmakers passed a major expansion of gambling in Illinois but Governor Quinn has threatened to veto similar legislation in the past.

STATE LEGISLATIVE ISSUES

Textbook Block Grant Funding Contained in House Bill 6134 & Senate Bill 3908 (K. Burke – D; Maloney – D) – These two identical initiatives sought to appropriate \$12.5 million to the Illinois State Board of Education (ISBE) for the Textbook Block Grant Program, which provides secular textbooks listed for use by the State Board of Education free of charge to any student in the State who is enrolled in any of grades kindergarten through 12 at a public school or at a State-recognized non-public school. CCI drafted and supports these initiatives, but in the state's current fiscal condition, we were unable to make much headway. However, it is important that we keep this issue alive and that our elected officials hear from our schools. If the pension crisis is addressed this summer money might be freed up in the General Revenue Fund for restoring these types of programs.

House Bill 5755 (Educational Improvement Tax Credit; Senger – R) – This legislation sought to create a tax credit for contributions, by any taxpayer, to qualified student assistance organizations (SAO). The credit could not exceed \$100,000 for any one taxpayer and would total 90% of the contribution. SAOs would use the money to provide educational support services or to provide scholarships covering the qualified educational expenses of low-income students enrolling in a nonpublic school. The program would include statewide coverage and be capped at \$30 million annually. CCI drafted this legislation and supports it, but due to the state’s fiscal condition we were unable to advance the bill out of the Revenue Committee.

Recognizing that CCI and our collaboration with the Illinois Coalition of Nonpublic Schools (ICNS) has been unable to advance this legislation past the committee level, CCI has pursued and encouraged the formation of a broader, statewide secular school choice organization. On October 26, 2011, CCI invited representatives from the Archdiocese of Chicago’s school board, Notre Dame ACE, Freedom to Learn, ICNS, the Illinois Policy Institute and other school choice leaders to begin this discussion. We have met several times since then and the school-choice organization Freedom to Learn and the Archdiocese of Chicago’s LAP Council has taken the lead in forming a new coalition. CCI continues to participate in these meetings and encourage broader participation. Due to fiscal and political obstacles the work ahead of us is difficult and will take some time.

Senate Bill 3393 (Teacher Recertification; Steans – D) – This legislation changes provisions concerning the reinstatement of a lapsed certificate by providing that lapsed certificates may be immediately reinstated upon payment by the applicant to ISBE of (1) any and all back fees, including without limitation registration fees, owed from the time of expiration of the certificate until the date of reinstatement; and (2) a \$500 penalty or the demonstration of proficiency by completing 9 semester hours of coursework from a regionally accredited institution of higher education in the content area that most aligns with the educator's endorsement area or areas; provided that, until September 1, 2012, certificates that have lapsed solely for the failure to pay a registration fee may be immediately reinstated upon payment only of any and all back fees. This legislation provided a way for teachers, whose certification expired last summer and who failed to pay their registration fees in the last six months of 2011, to avoid the \$500 or 9 semester hour requirement for certification reinstatement. CCI supported this legislation and it passed and was signed into law by the Governor on May 8, 2012.

Senate Bill 3367 (Driver’s Education; Garret – D) – This legislation makes a number of changes to the Driver’s Education statute, including some changes for nonpublic school students. Under this legislation, nonpublic school students that take driver’s education in his or her district of residence will be treated the same as public school students in the district – this is not a change. However, if the nonpublic school student takes driver’s education in a school district in which they don’t live but in which their high school is located he or she will have to pick up the difference between “course costs” if their resident district course is cheaper than the district in which their school is located. This is the change, and it seems designed to prevent a school district for paying more for a nonpublic school student to take driver education in a different district than they would pay if he or she were taking the course in district. Obviously, if the student lives and goes to school in the same district this is not an issue. The bill also says that if a student takes a driver’s education class outside of both his or her resident district and the district in which his or her nonpublic high school is located, he or she must pick up the full cost of the course minus the state reimbursement. CCI has surveyed a number of Catholic high schools, and these changes do not appear problematic, so we remained neutral. The legislation passed both houses of the General Assembly and will be sent to the Governor.

Senate Bill 3487 (MFSAB; Crotty – D) – This legislation allows multi-function school activity buses (MFSAB) to be used to transport students, in grades 9 thru 12, for any curriculum-related activity except for transportation on regular bus routes from home to school or from school to home. The bill states that MFSABs authorized to transport students under the new provisions must be operated by a holder of a school bus driver permit and is subject to certain provisions concerning contractual student transfer arrangements, contracts requiring school bus driver permits, liability insurance, and safety testing. Although CCI has advocated allowing the use of MFSABs for transporting students to and from schools, we supported this smaller step. The bill was approved by both Houses and will be sent to the Governor.

Senate Bill 3415 (School Incident Reporting; Garret – D) – The legislation reaffirms that all school officials, including teachers, guidance counselors, and support staff, shall immediately notify the office of the principal in the event they observe any person who is a student in grade 6 through 12, or any person not a student, commit certain specified offenses (attacks on school personnel, firearms in schools and certain drug-related incidents) and says that upon receiving a report from any school official or from any other person, the principal or his or her designee shall immediately notify a local law enforcement agency and require a report to be completed. The real change this legislation introduces to the existing reporting requirement is now the local law enforcement agency will be responsible for notifying state law enforcement instead of the school being responsible for such a report. This legislation appeared to streamline the current requirements, so CCI monitored the bill. After passing the Senate unanimously, questions arose in the House concerning the ability of local administrators to determine when law enforcement should be involved. The bill was defeated in the House.

House Bill 3027 (Comprehensive Sex Education; Lily-D) – This legislation seeks to require any public school district offering sex education to implement a curriculum of comprehensive sex education. The bill allows for the teaching of abstinence, but effectively prohibits abstinence-only education in public schools. The original bill deleted references to marriage in the context of abstinence and demanded the teaching of certain provisions of the Human Rights Act; however, in response to a failed vote fueled by our and other's opposition, these provisions were removed via amendment. The bill does not apply to Catholic school practice. CCI opposed and provided testimony against the bill in the Senate Public Health Committee and House Human Services Committee. House Bill 3027 passed the Senate in May 2011 with a bare majority, but remains stuck on the Order of Concurrence in the House. The bill could be called for a vote in the fall Veto Session.

HB 603 (Insurance for High School Athletes; Davis – D) – Just before the third reading deadline in the House an amendment to this “shell bill” (empty legislation) sought to require public and nonpublic high schools to provide catastrophic accident insurance for students participating in school-sponsored or school-supervised interscholastic activities sanctioned by IHSA. The required insurance would have to include benefit limits of \$7.5 million or 15 years, whichever is first. The amendment also included legislation making IHSA the primary provider of this insurance coverage. As these coverage limits far exceeded the coverage provided by most of our high schools, CCI opposed the legislation, and it did not move forward.

House Bill 5825 (Transportation; Chapa Lavia – D) – Part of this legislation is a rescission of the mandate on school districts to provide busing and the provision of a new ability for those districts to charge fees for access to bussing. Due to quirks in the law about 40 percent of districts are not currently mandated to provide transportation and already have the ability to charge parents a fee. This legislation would universalize that condition. The legislation also reworks the state

reimbursement formula for student transportation. All of this was proposed because the state reimbursement does not come close to covering the costs of transporting students. Although the bill does not change the section of the school code that requires transportation of students attending nonpublic schools along public school bus routes, CCI cares about this issue because it could affect school districts' willingness to design accommodating transportation routes and could also lead to the imposition of fees on public and nonpublic school students. CCI monitored this legislation and expressed concern to ISBE officials and legislators. The bill passed the Senate but was not called for a vote in the House.

FEDERAL LEGISLATIVE ISSUES

NCLB Waiver – CCI worked with the Archdiocese of Chicago's Catholic Schools Office and the Illinois Coalition of Nonpublic Schools (ICNS) to influence ISBE's **waiver application from requirements of the No Child Left Behind Act.** Our primary goal was to ensure Title monies that are currently open to the equitable participation of nonpublic schools are not "flexed" or "set aside" into Title programs without equitable participation. We communicated our interests to ISBE and the Governor's office, and in response, they included appropriate and helpful language in their waiver application (submitted Feb. 22, 2012).

Although this is a good first step, we know words on a page cannot alone improve the consultation process between local school districts and Catholic schools. CCI's Department of Education has begun surveying Catholic schools to better understand the level of cooperation between public school districts and private schools. Please look for these inquiries and answer them as fully as possible, so we can accurately measure next steps.

ADMINISTRATIVE ISSUES

State Recognition – CCI worked with newly hired ISBE staff to schedule state recognition visits through the end of the 2011-12 school year. We prioritized new schools that are applying for the first time and appeared to meet that need. Furthermore, the agreed administrative rule revisions on state recognition have gone through the public comment period without problem. The biggest changes are (1) state recognition will no longer only be good for the current school year, but will extend to December 31 of the next school year, ensuring enough overlap that schools will not lose recognition in the beginning of the school year, (2) all deadlines (immunization, state registration, state recognition application and calendar) will be due November 15 of each school year and (3) the seven year visit cycle has been changed to "periodic" visits. CCI continues to meet with state officials through the Nonpublic School Advisory Committee, and we hope to accomplish long-range scheduling of state recognition visits in the near future.

Catholic School President/Principal Conference – CCI cosponsored the statewide Catholic School President & Principal Conference for elementary and secondary school administrators which took place March 18-20 in Bloomington-Normal. The theme of the conference was "The Vocation of Leadership" and included the keynote speaker Rev. Anthony Ciorra, Assistant Vice President for Mission & Identity at Sacred Heart University and a panel discussion on Catholic schools featuring five of the six diocesan Bishops.

Over 380 Catholic school principals and presidents from across the state participated in the conference. It was a great resource and networking opportunity for our Catholic school administrators.