



STATE OF GEORGIA

OFFICE OF THE GOVERNOR

Sonny Perdue
GOVERNOR

For Immediate Release
Tuesday, January 10, 2006

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Governor Perdue Unveils Education Agenda at Eggs and Issues Breakfast

***Teachers to Receive Four Percent Pay Raise
More than Half of all Teachers to Receive Seven Percent Raise
Class Size Reductions for Grades K-8
\$383 Million for Classroom Construction
\$21 Million for a High School Completion Counselor in Every High School***

ATLANTA – Governor Sonny Perdue spoke today at the annual Eggs and Issues Breakfast. He outlined the impact a growing economy is having on the state budget and his priorities for Georgia, and particularly his top priority – education.

Fiscal Year 2007 will see an increase in revenue of \$1.24 billion over Fiscal Year 2006. Governor Perdue is committed to spending 72 percent of this increase on his aggressive education agenda for the 2006 General Assembly.

“I’ve made listening to our classroom teachers an essential component of my approach to education. Again and again, teachers have told me they want two things – support and respect,” said Governor Sonny Perdue. “Teachers need support in the form of the resources they need to create a quality learning environment for their students. And they need respect for the hard work they do and the commitment they bring to preparing Georgia’s next generation for their adult roles in society.

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Hard-working Teachers to Receive Four Percent Pay Raise

Governor Perdue's education budget includes \$217 million for a four percent pay raise for teachers without any increase in health insurance premiums. The state will cover the entire increase in health care with no employee premium increases, a cost of \$138 million.

"Next to having parents involved in their children's education, the single best thing we can do for our students is to keep dedicated and experienced teachers in the classroom," said Governor Perdue. "We should honor our teachers and reward their service. This is why my 2007 budget includes a well-deserved four percent pay raise for all teachers."

With added salary step increases and other adjustments, more than half of all teachers will receive an overall pay raise of seven percent. This year's four percent pay raise for teachers follows two consecutive years of two percent pay raises.

Reduction in Class Sizes to Improve Student Achievement

Under Governor Perdue's *Truth in Class Size* program, parents and teachers will see smaller class sizes in grades K-8 beginning next year. Class size affects the quality of instruction teachers are able to provide. Smaller classes allow teachers to provide more individualized attention to their students. Reduced class size also allows for more disciplined classrooms so that teachers can focus on teaching, not crowd control.

"In the area of support and resources, one request I have heard continuously from teachers is to reduce class sizes. Thankfully our improved economy and increasing state resources provide us the opportunity to enact class size reductions for kindergarten through eighth grade," said Governor Perdue.

Beginning next school year, parents and teachers can expect no more than 18 students in a kindergarten class, down from a maximum of 20 in the past. For grades 1-3, parents and teachers can expect no more than 21 students in a class, down from 23. In grades 4-8, individual class sizes will be reduced by four students to a maximum class size of 28 students. The Governor's budget provides \$163 million in formula funding to cover the associated costs.

\$447 Million in Bonds for Education Infrastructure

With a growing student population and class size reductions, Georgia school systems require additional classroom space. Governor Perdue's budget includes \$383 million in bonds to support the construction of classrooms across Georgia and help local school systems meet the class size reductions.

"It doesn't take a mathematician to know that with growing student populations and a reduction in class sizes that we'll need more classrooms," said Governor Sonny Perdue. "\$383 million in school construction bonds will help local school districts provide additional classroom space to help reach our class size requirements."

The Governor's budget also includes \$50 million in bonds for new buses and an additional \$14 million for new technical and vocational equipment.

Graduate Georgia! Plan to Place High School Completion Counselor in Every High School

Nearly 40 percent of Georgia students drop out of high school before earning their diplomas. The cornerstone of Governor Perdue's Graduate Georgia! plan is to increase high school graduation rates by placing a High School Completion Counselor in every high school in Georgia (\$21 million).

"Along with improving classroom results, it is also time for us to focus on keeping more students in the classroom until graduation," said Governor Perdue. "Finishing high school, going to college and finding that first job are doors of opportunity that every young Georgian should be able to pass through."

The completion counselor will work with teachers, administrators and at-risk students to set goals, create an achievement plan, and serve as coaches and mentors, guiding the way to graduation.

To support the Governor's Graduate Georgia! plan, the Georgia Department of Education is working with the Georgia Department of Technical and Adult Education and the Commission for a New Georgia to create career interest ladders matching Georgia's strategic industries. This approach will help disaffected students better see how their schoolwork is relevant to potential career paths.

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Classrooms First

Governor Perdue's 2006 Education Agenda



Investing in the Classroom

- ✓ **Lowering class sizes** for grades K-8 (\$163 million in state assistance).
- ✓ **\$447 million in classroom construction** and **bonds for buses** to help overcrowded and growing schools.
- ✓ Require that **at least 65% of all education dollars be spent in the classroom** instead of administrative overhead.

Respect for Teachers

- ✓ At minimum **all Georgia teachers will get a 4% pay raise** (\$217 million).
- ✓ With annual step increase, more than 50% of teachers will receive a 7% pay raise.
- ✓ **No increases in health insurance premiums** for teachers and employees—the state will pick up the tab for increased health care costs (\$138 million).
- ✓ For the 3rd consecutive year, Governor Perdue has recommended pay raises for teachers.
- ✓ Georgia remains ranked #1 with the highest average salary for teachers in the Southeast.

Protecting the HOPE Scholarship – HOPE Chest Constitutional Amendment

- ✓ Pass a Constitutional amendment that **requires Lottery funds be used only for HOPE Scholarships and Pre-K**.
- ✓ **Saves any excess Lottery revenues for a “rainy day” reserve** and stops spending unrelated to HOPE and Pre-K like the \$1.8 billion spent between 1994 and 2003.

Keeping Kids in School – Preventing Dropouts

- ✓ **A High School Completion Counselor for every high school** (\$21 million total) focused on identifying students at-risk of dropping out and working with them to develop a completion plan.
- ✓ **Middle school remediation** funding of \$2.3 million to ensure 6th-8th graders get to 9th grade with the skills they need to succeed.
- ✓ Provide a career interest ladder for students with post-secondary schools to help students understand how their classes relate to their future work.

Truth In Class Size

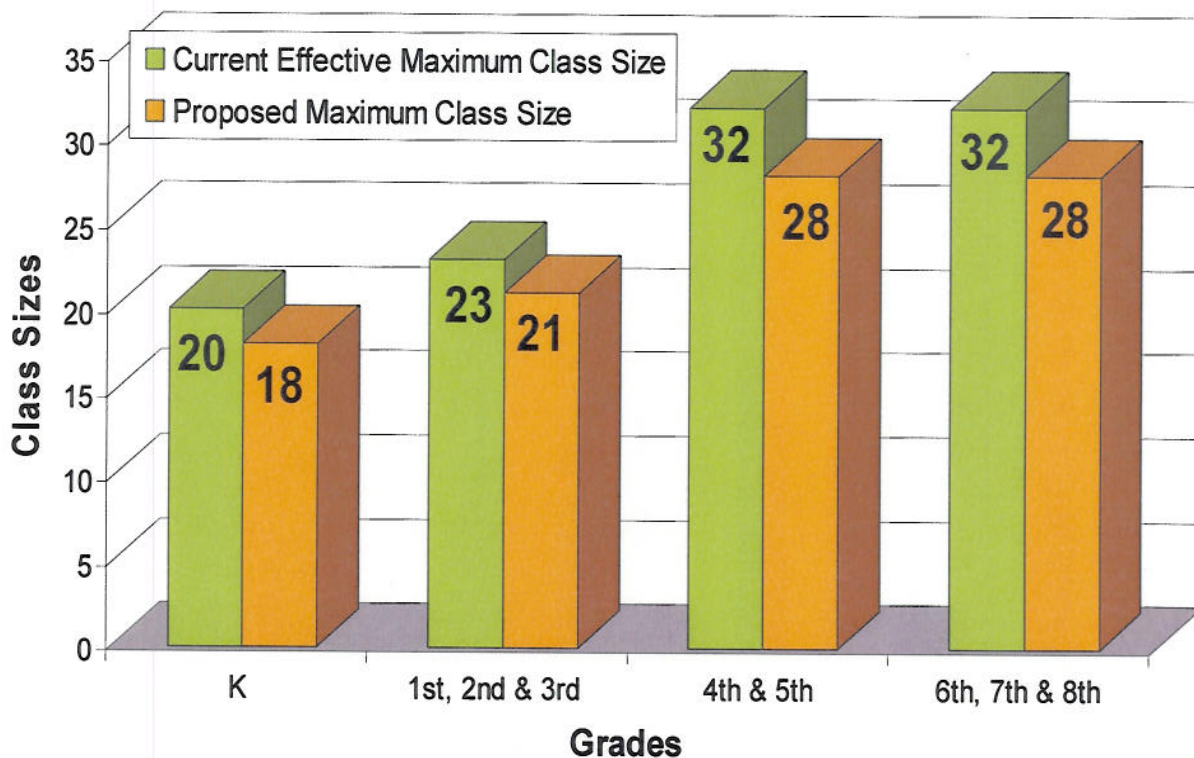
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Talking Points

- ✓ Reduce class sizes for grades K-8 and appropriate **\$163 million** to fund the reduction.
- ✓ Provide **\$383 million in classroom construction bonds** and **\$14 million for new equipment**.
- ✓ Parents and teachers will now have clarity and truth in class size.
- ✓ The new maximum class sizes will apply to regular core instructional classes. The SBOE will continue to assign class sizes for other classes. For example, band and chorus will have more students and remediation classes will probably have less.
- ✓ We have heard our teachers that class size makes a difference – smaller classes allow them to provide more individualized attention to their students, especially struggling learners.

**Truth in Class Size:
Reducing Individual Maximum Class Sizes**

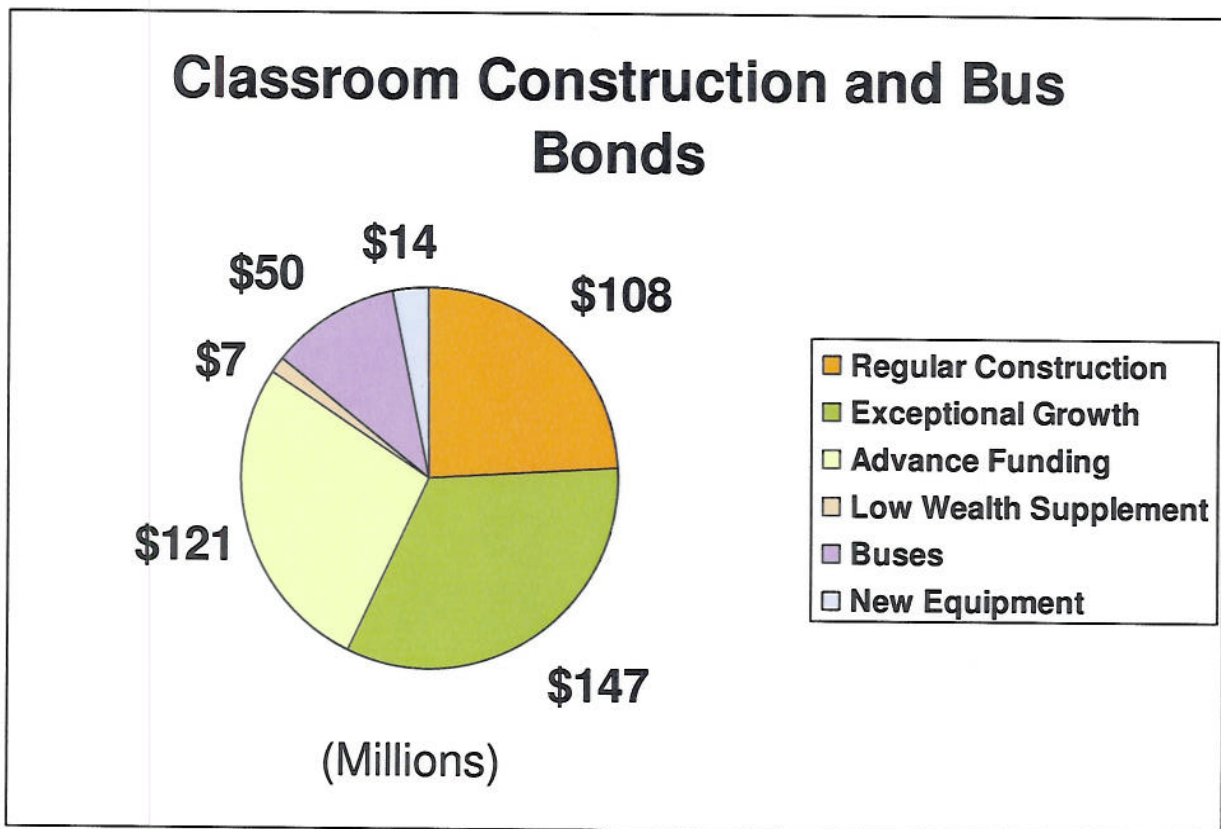


Classroom Construction & Bonds for Buses

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Provide **\$447 million in classroom construction** and **bonds for buses** to help overcrowded and growing schools.



65% Rule for Classroom Spending

Governor's 2006 Legislative Agenda



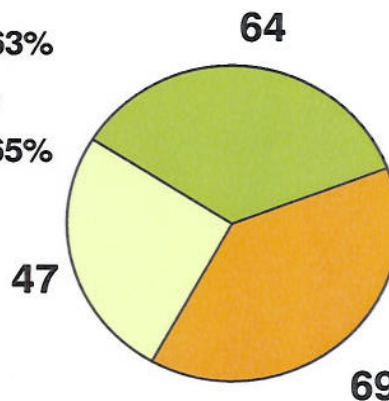
Talking Points

- ✓ Require that at least 65% of all education dollars be spent in the classroom instead of administrative overhead. The 65% rule supports our teachers in the classroom by putting tens of millions of dollars directly into Georgia's classrooms without a tax increase.
- ✓ Systems can increase classroom spending 2% per year until reaching the 65% minimum.
- ✓ Systems already demonstrating high performance in the classroom can be waived from the minimum.
- ✓ The National Center for Education Statistics reports that for the 2002-2003 school year, the state of Georgia spends 63.3% "in the classroom." If Georgia school systems were at 65%, this would have been an additional \$192M into our classrooms without a tax increase. (NOTE: NCES data for 2003-2004 school year will be released at the end of January.)
- ✓ More resources in the classroom lead to higher achievement. For example, the higher the district's average SAT score (approximately a .4 correlation). The correlation between graduation rates and percent spend in the classroom is 0.3, again a strong correlation.
- ✓ Definition of "In" and "Out" of the Classroom is consistent with the National Center for Education Statistics (NCES).

Classroom Spending Per District

In Classroom Spending

- Number of Districts Below 63%
- Number Between 63%- 65%
- Number of Districts Above 65%



* National Center for Education Statistics Latest Report 2002-2003

65% Rule for Classroom Spending

Governor's 2006 Legislative Agenda



Frequently Asked Questions

Why 65%?

- ✓ The 65% figure is not arbitrary. The top 10% of states (in terms of academic performance on the National Assessment of Educational Progress - NAEP) spend almost 65% in the classroom (64.1% on average). The top 10% of states in instructional expenditures average 65% in the classroom.
- ✓ The 17 Georgia "outperforming" districts as determined by Standard and Poor's in June 2005 average 64.4% spent in the classroom. (higher than our state average of 63.3%). The other 163 school districts average 63.2%, over just 1 percentage point difference.

When will this start?

Baseline data will be gathered for FY07 (2006-2007 school year). School districts will then have to start compliance with FY08 (2007-2008 school year)

What about flexibility and local control?

- ✓ The Governor and Superintendent campaigned for accountability with flexibility. This rule holds school systems accountable for the management of their resources while being flexible about how they may spend the money in the classroom. The legislation will include spending flexibility language as well. The law will continue to give local systems flexibility in how they spend their resources—as long as the minimum requirement is met.
- ✓ Districts will have discretion in how to utilize the funds within the "in" and "out" categories. This will allow districts the ability to move funds between different categories including moving some funds allocated for non-instructional expenditures to instructional expenditures. It will give districts flexibility to meet the individual needs of their schools. For example, systems can move money away from administration into smaller class sizes, higher teacher salaries, new textbooks, extra tutoring for students needing more attention and other classroom needs.
- ✓ High performing systems may apply for waivers from this rule if they can demonstrate to the State Board of Education that their use of taxpayer money is leading to better achievement for their students.

Teacher Pay Raises

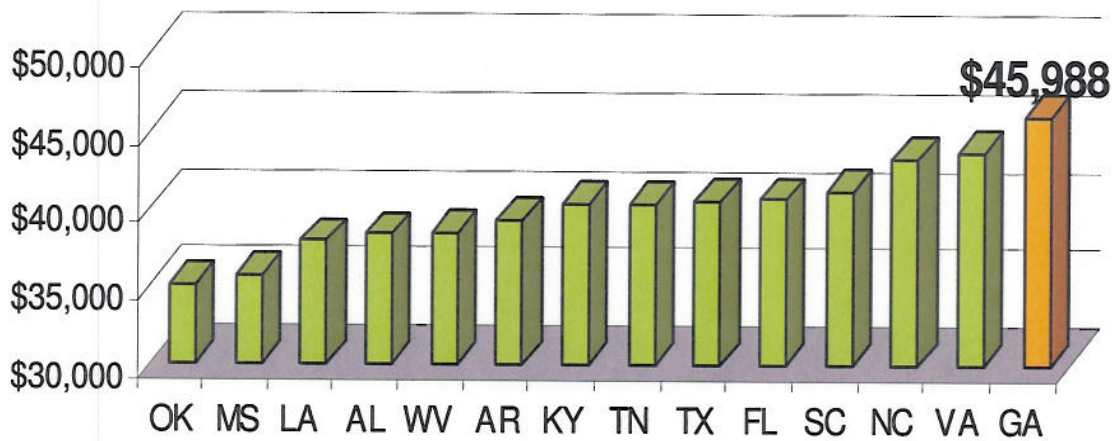


2006 Legislative Agenda

Highlights

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- ✓ With annual step increase, more than 50% of teachers will receive a 7% pay raise.
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Teacher Salaries in the Southeast



* National Education Association 2003-2004

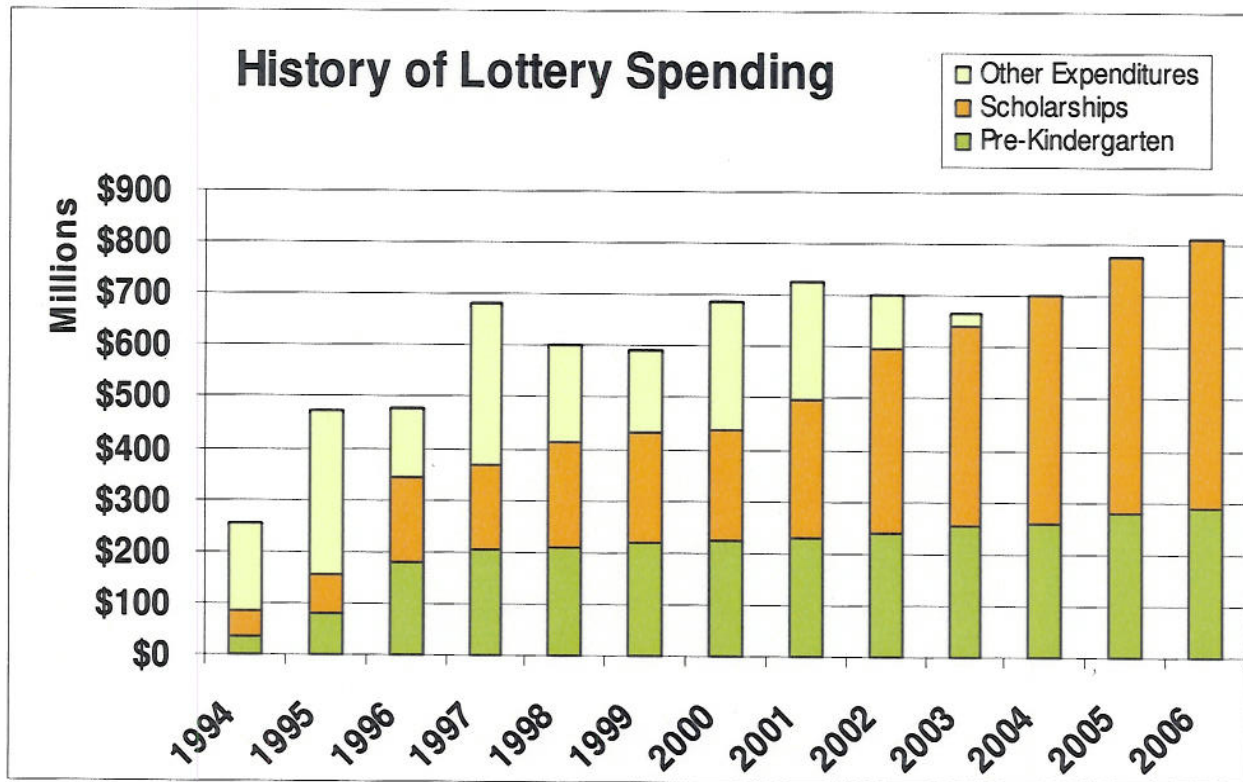
HOPE Chest Constitutional Amendment

Governor's 2006 Legislative Agenda



Talking Points

- ✓ Constitutional amendment requiring that Lottery funds be used only for HOPE Scholarships and Pre-K.
- ✓ Saves any excess Lottery revenues for a "rainy day" reserve.
- ✓ Stops history of spending unrelated to HOPE and Pre-K like the \$1.8 billion spent between 1994 and 2003.
- ✓ *Putting Governor Perdue's Responsible Practices into Law:* With the first budget that Perdue inherited in 2003, a small amount of Lottery funds had already been spent on "other projects." Governor Perdue reversed that direction and every year since, Lottery funds have been spent *only* for HOPE scholarships and Pre-Kindergarten.
- ✓ HOPE Scholarship funding and Pre-K funding has increased substantially every year of Perdue's administration.



Dropout Prevention

Governor's 2006 Legislative Agenda



Highlights

- ✓ Provide a *High School Completion Counselor* for every high school (\$21 million in state funds).
- ✓ Fund Middle school remediation with \$2.3 million to ensure 6th-8th graders get to 9th grade with the skills they need to succeed.
- ✓ Provide a career interest ladder for students with post-secondary schools to help students understand how their classes relate to their future work.

More Details on Perdue's Dropout Prevention strategy:

- ✓ Counselors will be focused on identifying students at-risk of dropping out and working with them to develop a completion plan.
 - ✓ Educate faculty and administration on identifying at-risk youth and adapting curriculum and instruction to meet their needs.
- ✓ Create achievement plan for "at-risk" students. Such achievement plan will include identifying the best program to meet the student's academic and post-secondary goals.
 - ✓ Coordinate transition program for 9th graders to successfully adapt to the rigor of high school
 - ✓ Work within the school or within the district and including magnet schools, Communities in Schools, or other specialized academic tracks to find effective placements.

Georgia Graduation Rates

	Georgia's Estimated Graduation Rate	US DOE's Estimated Rate
2001- 2002	63.00%	61.10%
2002- 2003	63.30%	60.80%
2003- 2004	65.40%	N/A
2004- 2005	67.80%	N/A