

Governor's Budget Calls For Teacher Raises, School Personnel Bonuses

By Adam Pridemore for NCASA

On Wednesday morning, State Budget Director Andrew Heath presented to the Joint Appropriations Committee [Governor Pat McCrory's 2016 proposed spending plan](#). The Governor's budget calls for \$22.3 billion in spending for the 2016-2017 fiscal year, a 2.8% increase. The budget calls [for \\$543 million dollars in new K-12 spending](#), a 6.46% increase. Proposed spending increases are due in part to higher income tax collection netting a forecasted \$237 million surplus.

[K-12 funding highlights](#) from the Governor's proposed budget include:

- \$259 million to provide an average 5% teacher raise, bringing the average teacher salary (including all local and state-paid supplements) to \$50,000.
- 3.5% bonus for teachers and school-based administrators, including a \$5,000 bonus for veteran teachers with over 24 years of experience.
- Expands the [teacher salary schedule to 21 steps](#) from the current 6 step teacher salary schedule.
- School-based administrators will receive a step increase if eligible, but there are no other permanent school-based administrator salary increases under the Governor's budget.
- All other school personnel will receive a 3% bonus, not to exceed \$3,000.
- \$6 million for a differentiated pay pilot program for school districts to implement or sustain existing differentiated pay plans in 2016-2017 that establishes leadership roles for highly-effective teachers.
- \$2 million in a new scholarship program to recruit teachers in hard-to-staff positions.
- \$29 million of lottery funds to empower schools to trade textbooks for tablets and connect all classrooms to Wi-Fi by 2018.
- \$10 million to a fund to reimburse teachers who spend money out-of-pocket on classroom supplies.
- \$6 million in targeted spending to increase access to special needs student scholarships (vouchers).
- \$4 million in additional funding to expand Pre-K.
- Fully funds 2016-17 projected ADM growth to 1,543,518.
- Does not include a Cost-of-Living Adjustment (COLA) for retirees.

The presentation used during Governor McCrory's press conference releasing the budget and sharing it with lawmakers can be found [here](#).

After Mr. Heath's presentation to committee members, many members had questions concerning why teacher raises were being preferred over providing [raises for all state employees](#), as well as many legislators asking questions on why a retiree COLA was not

included in the Governor's budget. Sen. Jerry Tillman (R-Randolph) noted for the Budget Director that North Carolina ranks 50th in the nation in principal pay.

These concerns could signal priorities among General Assembly members and could be reflected in the final budget approved later this summer.

The release of the Governor's budget kicks off the annual budgeting process. The House is in the process of putting its 2016-2017 spending plan together, with Appropriation subcommittees meeting on Thursday morning, and scheduled to meet throughout next week. A House budget could surface within the next two weeks as Speaker of the House Tim Moore (R-Cleveland) has indicated he would like to send the House's budget to the Senate by May 20th.

To read an article regarding Governor McCrory's budget presentation to lawmakers, written by Raleigh's *News & Observer*, please click [here](#).