



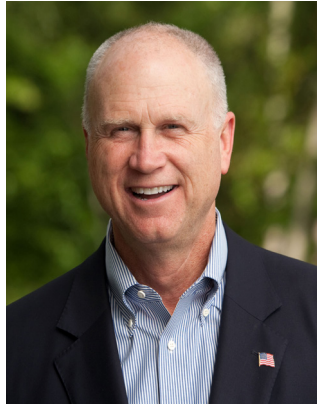
AT ISSUE STATE EDITION



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On March 29, 2018, the 2018 Legislative Session of the Georgia General Assembly adjourned Sine Die. At the beginning of session, Senator David Shafer (R – Duluth) resigned the office of President Pro Tempore allowing my election by the entire body to serve in that role. It was truly an honor to serve as President Pro Tempore during a session when we passed the largest income tax cut in the state's history; fully funded the Quality Basic Education (QBE) funding formula, while, in turn, eliminating austerity cuts; reformed Georgia's adoption code; and all the while practiced fiscal responsibility.

I want to thank each of the members and all of the great staff for working tirelessly to make this session a success. Please know that all of the long days and hours do not go unnoticed. Your commitment to the people of Georgia is truly commendable and I believe we made a lot of positive progress this year by passing legislation that will continue to make this state the best in the nation to live, work and play.

With each publication of the State Edition of *At Issue*, we will provide an overview of the work done during the session and other critical issues facing our great state. In this first edition, an overview of legislation passed addressing education is provided along with details on education funding. Additionally, we will take a look at legislation that increased autism coverage as well as a bill that allows citizens to freeze their credit.

I hope you find this edition of *At Issue* interesting and useful. If you have topics you would like for us to cover in future editions, please do not hesitate to reach out to my office. Our first Federal Edition of *At Issue* will be coming out soon.

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Education and Youth

Education Round-Up: Innovative Assessments, School Climate, and Charter Funding

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In an effort to improve education across the state, the General Assembly passed several pieces of legislation this session, including the development of a pilot program to allow local school systems to implement innovative assessments. Additionally, legislation regarding school climate and an overhaul of the state charter school funding formula were signed into law.

Innovative Assessments

Under current law, students in Georgia participate in the 'Georgia Milestones' assessment at the end of the school year to show how well they have learned the content outlined in the state standards for that grade level. These assessments are required under the federal Every Student Succeeds Act (ESSA) to measure performance of schools around the state. In order to meet the requirements of ESSA, students must be assessed in English/Language Arts, Mathematics, and Science, at various grade levels. Additionally, ESSA requires the state to use the same academic assessment statewide.

(continued on page 2)

The current Milestones assessments are categorized as summative, meaning they serve as a one-time test at the end of the instructional period to show knowledge gained throughout the entire year. However, one of the concerns with these types of assessments is that they are a ‘post-mortem,’ showing where the student struggled when they exit the grade level and the teacher is no longer working with the student to help him/her improve. In order to address this concern, some school districts around the state have begun implementing the use of formative assessments within their districts, in addition to the required Milestones assessments. Formative assessments are used throughout the school year to allow teachers to identify and address gaps in student learning while they are still in that particular grade level.

In an effort to promote innovation and improve student learning, Senate Bill 362, sponsored by Senator Lindsey Tippins (R – Marietta), was signed into law this year. It establishes a pilot program to begin in the 2018-19 school year, lasting for three to five years for up to ten school systems. Systems will be competitively chosen by the State Board of Education and are authorized to design and implement an innovative alternate assessment and accountability program. These pilot systems may implement any type of assessment, formative, summative, or otherwise, that aligns with the content standards for students in that grade level. This bill also authorizes the State Board to reduce statewide testing and accountability requirements for schools who participate in the pilot, through amendments to their flexibility contracts.

School systems within Georgia already enter into flexibility contracts with the state, where they gain flexibility from certain state requirements but must meet higher levels of performance. Systems that participate in this pilot program must amend their flexibility contract to reflect the innovative assessment and accountability program. Participating systems are required to administer only the end-of-grade assessments specified in their amended flexibility contract. Systems that do not comply with the terms of their contract may be removed from the program.

In order to provide these pilot districts with broad flexibility to implement their assessments, this bill requires the State Board to take all reasonable steps to obtain any necessary waivers from the U.S. Department of Education (US DOE) to facilitate the implementation of this program, including any appropriate changes to Georgia’s Every Student Succeeds Act (ESSA) state plan. This includes seeking a waiver to allow pilot systems to implement an assessment that is different from the Milestones assessments administered in the rest of the state and thus eliminate the double testing of students in these systems. If the US DOE denies waivers to ESSA requirements, participating schools may be required to continue participating in Milestones assessments while also implementing their innovative assessment program.

School Climate

With the recent school shootings in Parkland, Florida and Santa Fe, Texas, states have seen a spike in legislation focused on improving school safety. Georgia is no exception. House Bill 763, sponsored by Representative Randy Nix (R – LaGrange), was signed into law this year and contains several provisions focused on improving school climate and safety, including mandating school safety drills and creating minimum standards for school safety plans.

Under current law, student attendance protocol committees already exist in each county of the state. This bill expands the scope of these committees and requires them to review and make recommendations on school climate. The review and recommendations should promote positive gains in student achievement scores, student/teacher morale, community support, student/teacher attendance, and decrease student suspensions, expulsions, dropouts, and other negative aspects of the school environment.

Additionally, schools are already required under current law to prepare school safety plans. This bill would require schools to work with local law enforcement as they develop the plan. This bill also establishes minimum guidelines that these plans must address including: training of school staff on school violence prevention, school security, school threat assessment, mental health awareness, and school emergency planning best practices; evaluating and refining school security measures; updating and exercising school emergency preparedness plans; strengthening partnerships with public safety officials; and creating enhanced crisis communications plans and social media strategies.

Currently, the state maintains a program to provide funding assistance to school districts for the installation of safety equipment. This bill requires the Georgia Department of Education (GaDOE) to develop criteria to review these funding requests that take into account the needs of the schools. Under these program changes, schools will be required to provide a local match to the state funding, unless they can demonstrate a substantial hardship. In early June, State School Superintendent Richard Woods released information on the distribution of \$16 million that was included in the state budget to assist schools in enhancing school safety. GaDOE will provide every school district in Georgia with a base amount of \$25,000, and the remaining funds will be distributed based on student enrollment. These funds are to be used for improvements to a school’s physical structure or the purchase of equipment, such as security cameras, to improve school safety.



Governor Nathan Deal Signing House Bill 763 on May 8, 2018

Source: Governor Deal's Photo Galleries

One of the most popular policy initiatives discussed following these school shootings has been the use of active shooter drills to ensure students and faculty are prepared if the situation arises. Georgia addressed this policy concern by requiring schools to conduct drills on school safety plans, at intervals to be determined by the Georgia Emergency Management and Homeland Security Agency (GEMA). Regulatory action has not yet been taken by GEMA to determine the intervals at which these drills should be conducted.

State Charter School Funding Formula

Perhaps the biggest and most controversial change in education this session is the reformation of the state charter school funding formula through House Bill 787. This bill was sponsored by Representative Scott Hilton (R – Peachtree Corners) and was signed into law by Governor Deal.

In the current system, charter schools are funded differently depending on how they are created. Charter schools are either authorized by their local education agency or they are authorized by the State Charter Schools Commission. Both types of charter schools received Quality Basic Education (QBE) funds that are calculated the same way that local school districts' earnings are calculated. However, charter schools received supplemental funds in addition to these QBE dollars, which vary depending on how they are authorized. Locally-authorized charter schools receive a share of the taxes from the local education agency. On the other hand, charter schools that are authorized by the state do not receive a similar local share. Instead, they are provided a supplement from the state.

Under the current funding system, one component of this supplemental amount is based on a calculation using the average local and equalization revenue from the five lowest-ranked systems, meaning the five school systems with the lowest tax revenue per student. This bill creates a new formula where state charter schools will receive the statewide average local and equalization revenue received by all local school systems, as opposed to just the five lowest-ranked systems. There is one exception to this general rule, if the average local and equalization revenue for the local school systems that comprise the attendance zone of the charter school is less than the statewide average, the charter school will receive the greater of either the average amount of the school's attendance zone or the average amount of the five lowest-ranked systems.

Another important change was made to state charter schools' capital funding. Under the current funding system, these schools receive capital funds based on the statewide average of total capital funding. However, this new change will give state charter schools the greater of either the statewide average of capital funding, excluding local revenue bonds, or the capital funding equal to what the local school system where the charter school is located receives. A significant change also occurred to the capital funding for virtual charter schools. Currently, virtual charter schools received no capital funding since their services were provided virtually and there was not a need for brick and mortar classrooms. This bill allows virtual charter schools who provide hardware and technical support to students to receive capital funding up to 25 percent of the statewide average capital funding. This bill also requires the Department of Audits and Accounts each year to review and report on state charter schools that offer virtual instruction to show how their performance compared to the goals outlined in their charter.



Governor Nathan Deal Signing House Bill 787 on May 7, 2018

Source: Governor Deal's Photo Galleries

Finally, this bill also provides additional funding for charter schools based on their projected enrollment. Under current law, state charter schools will only receive funding for projected enrollment if it was the first year the school is operation or the first year it offers a new grade level. This change would expand these parameters to allow all charters to receive funding for projected enrollment when student growth is expected to exceed two percent. This funding formula is explained in more detail on Page 7.

These reforms, which go into effect July 1, 2018, take important steps to improve the State's public education system and promote innovation within school districts. - MA

Ava's Law: Continuing Autism Reform in Georgia in 2018

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2015: The First Step

On April 29, 2015, when Governor Nathan Deal signed House Bill 429 into law, Georgia became the 41st state to embrace reforms requiring insurers to cover Autism Spectrum Disorder (ASD) therapies. The measure, commonly referred to as Ava's Law, is a narrowly-crafted compromise bill that borrows some provisions from other states. The legislation required health insurance policies to provide at least \$30,000 of annual coverage for applied behavioral analysis (ABA) therapy for children six years of age and younger when treating ASDs.

A key concept of ABA therapy, which is considered the standard of care for autism treatment, is positive reinforcement, i.e., a child who displays, or continues to display, a desired behavior may be given a reward or positive reinforcer as a way to bring about meaningful and positive change in behavior. ABA is widely accepted by health care professionals and is used in schools and clinics.

Providing a critical safeguard for insurers, the bill exempted an insurer from this health benefit mandate for one year if it can actuarially demonstrate that the required ABA coverage results in a premium increase of at least 1 percent. The exemption applies for a one-year coverage period following the date of the exemption, after which the insurer must again provide coverage for ABA. Additionally, small businesses with 10 or fewer employees are exempt from the mandated coverage imposed by HB 429.

To help all parties understand the financial costs and benefits of the additional coverage, the legislation directed the Insurance Commissioner's office to submit an annual report to the General Assembly detailing:

1. The total number of insured children diagnosed with an ASD;
2. The total cost of all autism-related claims paid out in the previous calendar year;
3. The cost of coverage per insured per month; and
4. The average cost per insured for coverage of ABA.

In the time since Ava's Law was adopted, six other states have embraced autism reform, bringing the total number of states requiring some form of insurance coverage for autism treatment to 47 states.



Governor Nathan Deal Signing House Bill 429 (Ava's Law) on April 29, 2015, as Ava and Anna Bullard, Lt. Governor Casey Cagle, and legislators look on.

Source: Austim Speaks

What is an Autism Spectrum Disorder?

The term "autism spectrum disorder" encompasses a range or spectrum of neurodevelopmental disorders, marked by communication and social impairments and repetitive behaviors. Despite these characteristic features, there is no one behavior that is always typical of an ASD, and the manifestations of the disorder vary across individuals and in an individual over that person's lifetime. ASDs include autistic disorder (also known as "classic" autism), Asperger syndrome, and pervasive developmental disorders – not otherwise specified (PPD-NOS).

The CDC estimates that an average of 1 in 59 children in the U.S. suffer from autism based on an analysis of 2014 medical and educational records of 8-year-old children across the United States.

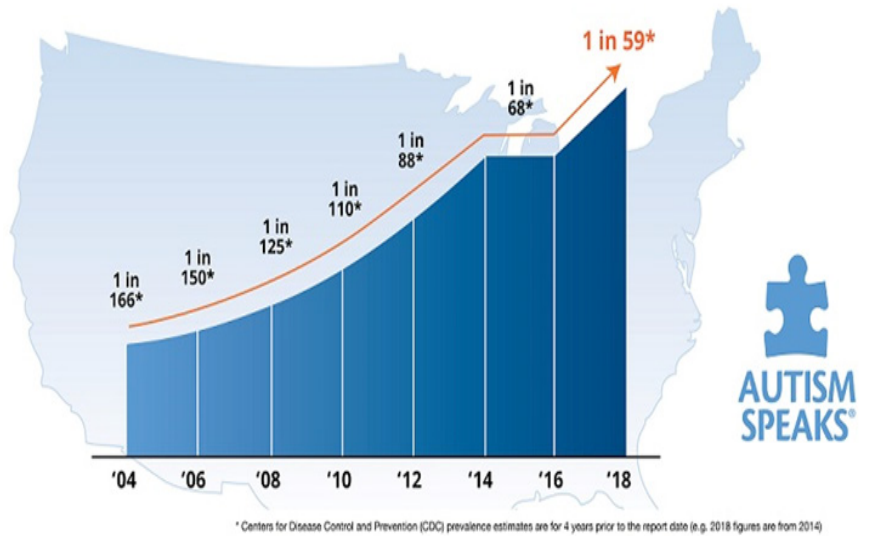
Building Upon the Initial Successes of Reform

Although HB 429's passage was an incredible milestone for Georgia, and autism advocates have been grateful for the progress, the law has been viewed as too restrictive to provide any form of long term relief for families with autistic children. The primary issue is that most children are diagnosed with autism in preschool or around four years old, resulting in less than two years of covered treatment because of the bill's age limit cap.

Focused on addressing this major shortfall, Senator Renee Unterman (R – Buford) authored Senate Bill 118 during the 2017 legislative session. In its original form, the bipartisan measure simply increased the age cap on behavioral therapy from six years to 21 years of age and younger. Although the bill was adopted by the Senate Insurance & Labor Committee in 2017, it failed to gain any more traction and was eventually recommitted back to that Committee.

During the 2018 legislative session, Senator Unterman, advocates, and supporters redoubled their efforts. As noted earlier, the 2015 legislation directed the Insurance Commissioner's office to submit an annual report to the General Assembly detailing certain aspects of the autism mandate. This report revealed that in 2017, the average claim cost per member was 50 cents per month, with ABA therapy accounting for 20 cents per member per month of that 50-cent cost. Supporters also pointed out that the State Health Benefit Plan provided to state employees and teachers as well as the state's Medicaid Plan both provide autism coverage up to 21 years of age.

Estimated Autism Prevalence 2018



Source: Autism Speaks



Two children at Navicent's recently established Autism and Development Center in Macon

Source: Autism and Developmental Center, Navicent Health

But Ava's Law also provided an unexpected and positive byproduct: economic development in middle Georgia. Navicent Health testified at a January 2018 Senate Insurance & Labor Committee meeting that the recent opening of its Health's Autism and Developmental Center in Macon is a direct result of Ava's law and is currently the only autism center operating outside of Metro Atlanta. The Center treats 2,200 children from 40 counties and is currently experiencing a 1-year wait list due to an ongoing need for qualified health care workers.

With supporters armed with this positive information, SB 118 easily sailed through both chambers. The final version of the legislation increases the cap on the annual monetary coverage from \$30,000 to \$35,000 while expanding coverage to individuals 20 years of age and younger. The existing safeguards protecting insurers and small businesses remain in-place. These reforms will become effective on January 1, 2019.

After more than a decade of hard-fought battles by its supporters, autism reform first took hold in Georgia in 2015 and then was greatly expanded by the General Assembly in 2018. The most recent reforms will bring much needed hope, monetary help, and moral support to thousands of autistic children and their families while posing a negligible cost to health insurers and their policyholders. - AA

Making Credit Freezes Free in Georgia

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Not too long ago, keeping your personal information safe seemed easy. All you had to do was follow a few simple rules – keep your social security number secret, keep your computer's virus protection up-to-date, don't open links in emails sent by previously-unknown "cousins," and don't use "passw0rd" to secure your bank account. Now, data breaches are becoming a common-place occurrence, while being larger in scope. Consider the following:

- In the last five years, Yahoo, Adobe Systems, Equifax, eBay, Target, and Home Depot have suffered from data breaches, alongside many other companies and businesses. In the worst of these, Yahoo reported that in 2013 all 3 billion of its users' accounts had been compromised.
- In 2017 alone, there were 1,579 U.S. data breach incidents, an increase of 44.7 percent from 2016. This resulted in over 178 million records being exposed, of which 157 million contained exposed Social Security numbers (information courtesy of Identity Theft Resource Center).
- According to Experian, a social security number can be purchased on the dark web for only one dollar. A credit card with the CVW number is worth only five dollars, while a driver's license's information is worth twenty dollars.

These data breaches are dangerous because, frequently, the stolen data may contain information that does not change during an individual's life, such as their social security number. Thus, an identity thief can wait years, even decades, before using this information to steal someone's credit. Of course, some of the dangers are more immediate – for instance, an identity thief can use your phone number or email account to request a password change for your bank account, or use a credit card to make purchases or even pay for bills.

In order to protect against identity theft, consumers can place a credit freeze on their credit report to block third parties from gaining access to it. Since creditors will not open a new line of credit for an individual without seeing their credit report, this prevents potential identity thieves from using a stolen identity to open new lines of credit in your name. The consumer is then given a pin number to unfreeze their credit report when they need access to it again. Credit freezes will not completely protect a consumer; for instance, your credit can still be accessed during a criminal investigation, and identity thieves can still file a fraudulent tax return or make use of stolen credit card information. Nonetheless, credit freezes prevent identity thieves from using your credit report to their benefit.

Passage of Senate Bill 376

In recognition of the importance of this program, the General Assembly passed Senate Bill 376, sponsored by Senator David Shafer (R – Duluth), during the 2018 Legislative Session. Before the passage of SB 376, it could cost up to three dollars to place a credit freeze. This cost increased to ten dollars for a "protected consumer," or anyone under the age of 16 or that has a guardian or conservator appointed for them. (Victims of identity theft could freeze their accounts for free.) Thanks to the passage of SB 376, after July 1, 2018, these fees will be reduced to zero for Georgia residents, so that anyone can freeze or unfreeze their account free of charge. (In May, the federal government likewise passed legislation which made credit freezes free for all other states that did not have similar legislation.)

It may seem like this fee was a small amount (and, indeed, it was on the lower end of the amount allowed to be charged in other states), but this fee was imposed each time the consumer's credit was frozen or unfrozen, and was charged individually by each of the three main credit reporting agencies. Additionally, while an individual's credit is frozen, they must apply to have their credit temporarily unfrozen, or "thawed," if they need to allow creditors to have access to it. While the credit freeze does not affect any existing lines of credit that the consumer has, the consumer may need to unfreeze their account when applying for a loan, entering into an apartment contract, applying for certain jobs, buying insurance, or doing anything else that requires access to credit. In each of these instances, the consumer is charged for thawing their credit report.

During a Senate Banking and Financial Institutions Committee hearing on SB 376 on February 20, 2018, consumer expert Clark Howard argued that this fee was fundamentally unfair for credit reporting agencies to impose. Mr. Howard explained that he paid a three dollar fee for parking, and though he did not like to pay this amount, at least he received the right to rent space to park his car. In contrast, "I'm having to pay three dollars every time I freeze or thaw a file for information I didn't give anybody permission to collect." According to Mr. Howard, it is wrong to charge anyone for limiting access to their personal information while credit agencies make money selling this information. This becomes even more apparent after taking into account that it costs only nearly a dime to process a credit freeze or thaw (when it is applied for online).

Applying for a Credit Freeze

In order to get the full benefit of a credit freeze, it is important to apply separately at each agency. While individuals can apply for a credit freeze by mail, the fastest way to freeze or thaw your account is by applying online (though it will likely take at least a day for the freeze to become effective). Additionally, it is important to plan ahead when thawing your credit report, as it will take a short period of time for your request to be processed. Under Georgia law, this time period should only be 15 minutes; however, after September 21st, federal law will extend this time period to an hour. You will need the pin number given to you when activating the credit freeze in order to thaw it. - JC

Consumers can visit the following websites or call the following numbers to freeze their credit report:

Equifax:
www.freeze.equifax.com
1-800-685-1111

Experian:
www.experian.com/freeze/center.html
1-888-397-3742

Transunion:
freeze.transunion.com
1-888-909-8872

Senate Budget and Evaluation Office Spotlight

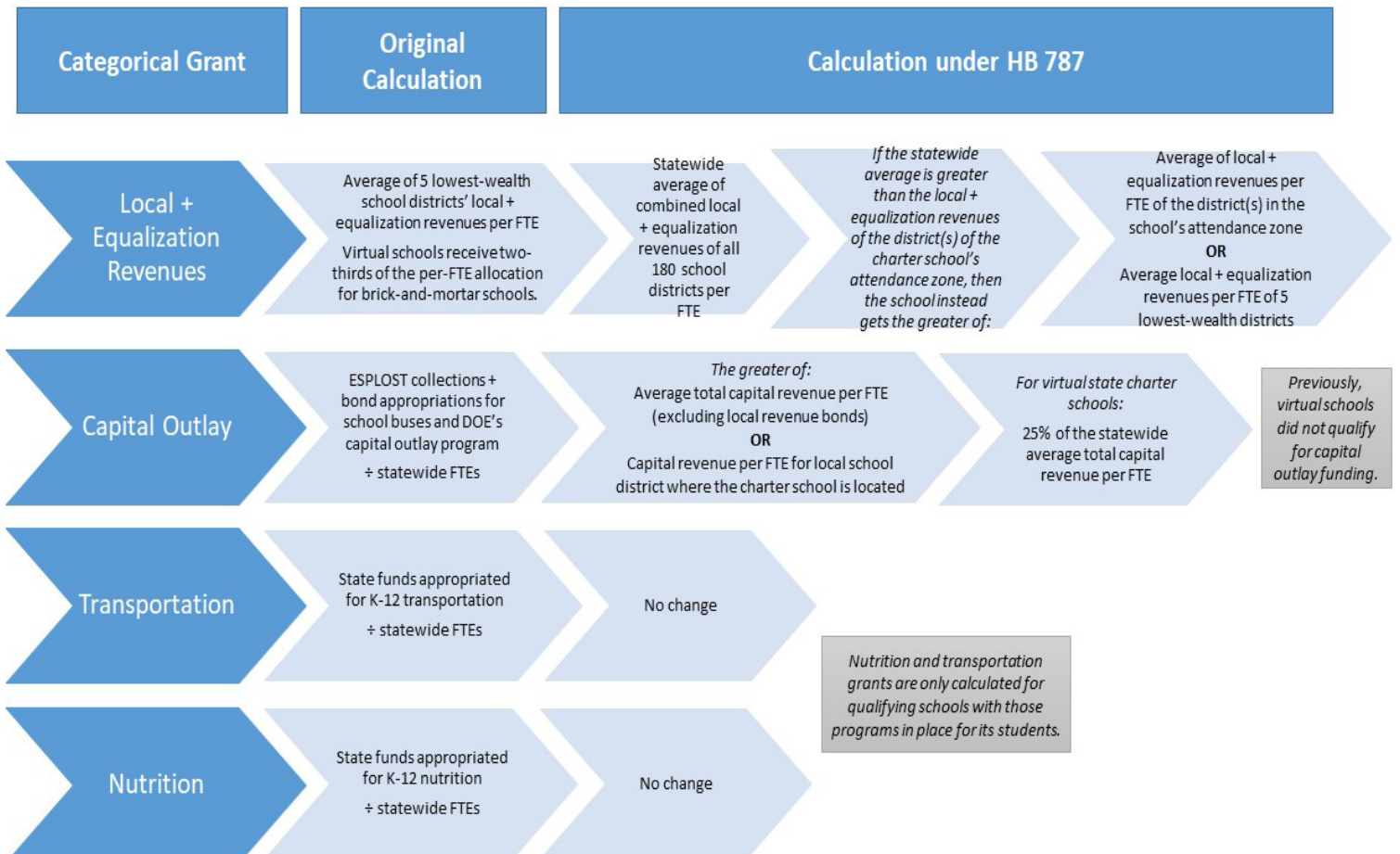
Funding for State Charter Schools

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Charter schools authorized by the State Charter School Commission (SCSC) receive funding through the Quality Basic Education (QBE) program, which includes a special supplement to substitute local funding that state charter schools do not receive. Each state charter school is considered a local education agency (LEA), which means that they are funded with state QBE dollars as if each school were an individual school district. QBE formula earnings are based primarily on student enrollment and characteristics. A Local Five Mill Share (LFMS) is deducted from the QBE earnings. A special supplement was created per O.C.G.A. 20-2-2068.1d that is allocated to state charter schools in order to substitute local dollars that state charter schools do not receive. The supplement is the sum of smaller grants for (1) local and equalization revenues, (2) capital funding (3) transportation, and (4) nutrition calculated for each individual state charter school.

Changes to the State Charter School Supplement

HB 787 made certain changes to the local and equalization grant and the capital funding grant calculations per full-time equivalent (FTE).



Legislation Creating 2018 Study Committees

JOINT STUDY COMMITTEES

SR 794 – Joint Georgia-North Carolina and Georgia-Tennessee Boundary Line Commission
Sponsors: Senator Miller of the 49th and Representative Morris of the 26th

SB 395 – Georgia Joint Defense Commission
Sponsors: Senator Watson of the 1st and Representative Belton of the 112th

HR 898 – Joint Study Committee on the Establishment of a State Accreditation Process
Sponsors: Representative Coleman of the 97th and Senator Tippins of the 37th

HB 65 – Joint Study Commission on Low THC Medical Oil Access
Sponsors: Representative Peake of the 141st and Senator Brass of the 28th

SENATE STUDY COMMITTEES

SR 467 – Senate Study Committee on Service Animals for Physically or Mentally Impaired Persons
Sponsor: Senator Unterman of the 45th

SR 484 – Senate Study Committee on Creating a Lottery Game to Benefit Veterans
Sponsor: Senator Harbison of the 15th

SR 489 – Senate Study Committee on Prescribing Patterns for Antidepressants and Other Psychotropic Medications
Sponsor: Senator Ligon of the 3rd

SR 503 – Senate African American History and Culture Study Committee
Sponsor: Senator Jackson of the 2nd

SR 506 – Senate Study Committee on the Excessive and Duplicative Regulatory Oversight of Community Based Intellectual and Developmental Disability (IDD)
Sponsor: Senator Dugan of the 30th

SR 761 – Senate Study Committee on Dyslexia
Sponsor: Senator Millar of the 40th

SR 832 – Senate Study Committee on Risks Associated with Kratom
Sponsor: Senator Mullis of the 53rd

SR 882 – Senate Hartsfield-Jackson Atlanta International Airport Operations and Authority Creation Study Committee
Sponsor: Senator Jones of the 25th

SR 914 – Senate Emergency Pursuits By Law Enforcement Officers Study Committee
Sponsor: Senator Davenport of the 44th

SR 935 – Senate School Safety Study Committee
Sponsor: Senator Albers of the 56th

SR 977 – Senate Study Committee on Historically Black Colleges and Universities
Sponsor: Senator Williams of the 39th

SR 995 – Senate Study Committee on Combat Sports
Sponsor: Senator Beach of the 21st

SR 1019 – Senate Advanced Communications Technologies and Use of State and Local Government Right of Way Policy Modernization Study Committee
Sponsor: Senator Ginn of the 47th

SR 1049 – Senate Cross Media Development Study Committee
Sponsor: Senator James of the 35th

SR 1063 – Senate Study Committee on Certificate of Need Reform
Sponsor: Senator Watson of the 1st

SR 1064 – Senate Study Committee on Continual Audit Exceptions on Local School Systems
Sponsor: Senator Sims of the 12th

SR 1067 – Senate Study Committee on the Financial Impact of Atlanta Annexation on Schools
Sponsor: Senator Jones of the 10th

SR 1068 – Senate Study Committee on Evaluating the School Year Calendar of Georgia Public Schools
Sponsor: Senator Gooch of the 51st

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