

February 15, 2022

The Honorable Kristey Williams, Chairperson
House Committee on K-12 Education Budget
Statehouse, Room 546-S
Topeka, Kansas 66612

Dear Representative Williams:

SUBJECT: Fiscal Note for HB 2690 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2690 is respectfully submitted to your committee.

HB 2690 would include a declarative statement that the legislature affirms “excellence in education provides an essential gateway to success not only for students but for the entire state.”

The bill would create the Every Child Can Read Act. Each school district would be required to include as part of instruction in literacy the following: phonics, phonological, and phonemic awareness; vocabulary development; silent and oral ready fluency; and reading comprehension. In addition, each school district would be required to:

1. Measure student achievement by participation in the state assessment program and through other universal screening and assessment tools that are approved by a board of education of a school district or by the Department of Education;
2. Provide targeted and tiered interventions that are designed to match a student's individual deficiencies through additional contact hours with students, including, one-on-one instruction, small group instruction, tutoring and summer school programs for all students and especially for those students who are at and below the third-grade level who are identified as having a literacy deficit; and
3. Ensure that the teacher of each third-grade student communicates with the parent or guardian of each student to provide information on the student's literacy proficiency or deficiencies and any recommended interventions for a student to achieve proficiency.

On or before June 30 of each school year, each school district would be required to report to the Department of Education on the implementation of the Every Child Can Read Act, the interventions that the school district is using to attain the goals and the resulting outcomes of the interventions. The bill would prescribe the contents of the report. The Department of Education would submit a summary statewide report to the Governor and the Legislature on or before January 15 each year.

The bill would create the Legislative Award for Excellence in Teaching Program to provide awards to schools for the purpose of providing merit-based bonuses to exemplary teachers. The Department of Education would administer the Program. Any school of a school district would be eligible for the Program if:

1. The enrollment of a school is at least 35.0 percent at-risk students;
2. The school has established a teacher appraisal process as required by the bill;
3. The school district submits an application to the State Board of Education on behalf of the eligible school for an award under the program; and
4. The Department of Education certifies that the school complies with the applicable academic achievement and performance outcomes as required by the bill.

The Program would provide separate program awards to eligible schools for the academic performance for: (1) kindergarten and grades one through three and (2) grades four through 12. Beginning in the 2025-2026 school year, and each subsequent biennial year, the Department of Education may release funds for awards to be made to eligible schools under the Program. Funds would be awarded to each eligible school of a school district that would demonstrate compliance with the eligibility requirements provided in the bill. Criteria would include advancement of students or student subgroups to a higher performance level on the English language arts assessment and math assessment; annual academic progress on the school's results on the ACT college entrance exam or pre-ACT assessment, evidence of annual increases to the number of technical certificates awarded to students; and evidence of annual increases to the number of students who have completed and passed advanced placement courses.

To receive a legislative award for excellence in teaching, an eligible school would be required to establish a teacher appraisal process to identify those teachers who are deserving of merit-based bonuses to be provided through the Legislative Award for Excellence in Teaching Program. The teacher appraisal process would be open to all licensed teachers at an eligible school. The teacher appraisal process would be exclusively based on teacher performance standards that evaluate whether the teacher: (1) exemplifies and promotes excellence in academic achievement through creative, consistent, and meaningful ways; (2) inspires and maintains high academic standards and expectations through thoughtful and relevant lessons and instruction; and (3) encourages and models attitudes and behaviors to promote academic success and well-being.

The principal of an eligible school would oversee each teacher appraisal process and would designate teachers who submit an application and are deserving of a merit-based bonus. Only the

principal of an eligible school would have authority to make a determination of whether a teacher is deserving of a merit-based bonus. The bill would outline what an eligible teacher would be.

Beginning in the 2025-2026 school year, and each subsequent biennial year, the Department of Education would authorize school districts to apply for the Legislative Award for Excellence in Teaching. Awards may be released by the Department of Education following the school year in which applications are received on a date determined by the Department according to requirements of the bill.

The bill would create the Legislative Award for Excellence in Teaching Fund, which would receive demand transfers from the State General Fund for Department of Education to distribute funds to eligible school districts for the awards. Beginning in FY 2025, the State Board of Education would determine amounts that school districts would have been eligible to receive if the high-density at-risk student weighting would not have been allowed to expire at the end of FY 2024. This amount would be transferred as a demand transfer from the State General Fund to the new fund. The Department of Education would be required to provide information on the Legislative Awards for Excellence in Teaching on a website link and would be able to adopt rules and regulations to implement the awards.

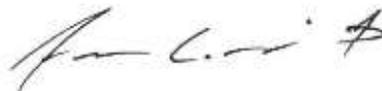
Finally, the bill would require the Department of Education to prepare written academic achievement reports to the Governor and the Legislature, on or before January 15 of each year, beginning in FY 2023. The bill would outline the requirements of the report for specific student achievement outcome reporting. In addition, the Department of Education would be required to provide a student-focused longitudinal achievement report that includes information on the academic achievement of certain student cohort groups to show the achievement gains or learning losses that are occurring for students. The report would begin with the students who are entering grade three and grade eight in school year 2022-2023. The report would summarize the longitudinal achievement of students over a three-year period and would be repeated every three years for the students entering those grade levels.

According to the Department of Education, the agency would need additional staff to manage the required data and reporting that is required, which would begin during FY 2023. The agency would require an additional 5.00 FTE positions at a cost of \$455,000, all from the State General Fund. Of the total cost, the agency's Information Technology Team would need an additional 4.00 FTE Programmer positions at a cost of \$355,000, including fringe benefit costs. Also, included in the estimate is 1.00 FTE Research Analyst position at a cost of \$100,000, including fringe benefits, in the agency's Career Standards and Assessment Team.

Any demand transfers to fund the Program would not occur until FY 2025. The agency did not estimate the cost of the Program at that time; however, the Division of the Budget notes that according to the latest data in the legal maximum school district general fund spreadsheet for the 2021-2022 school year, the current value of the statewide high-density at-risk weighting in the current school finance formula is \$47.9 million (10,187.7 FTE students X \$4,706 = \$47,943,316). This would give an estimate to the maximum amount that would be available for the Program, if it were in effect during FY 2022. The Division also notes that instead of the state aid for high-

density at-risk weighting ending in at the end of FY 2024, these funds would be used for the Program and the state would not realize a state aid expenditure reduction for the sunset of the weighting. Any fiscal effect associated with HB 2690 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Craig Neuenswander, Education