



## Fiscal Estimate Narratives

DPI 2/14/2012

LRB Number	11-4060/1	Introduction Number	AB-0558	Estimate Type	Original
<b>Description</b> The governor's read to lead development fund, the Read to Lead Development Council, grants in support of literacy and early childhood development programs, teacher licensure, screening kindergarten pupils for reading readiness, remedial reading services for certain pupils, evaluating teacher preparatory programs and educator effectiveness, requiring the exercise of rule-making authority, and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

#### Read to lead

This bill creates the Read to Lead Development Council in the Office of the Governor. The council consists of the governor, the state superintendent of public instruction, four legislators, and 15 additional members appointed by the governor.

The bill creates a segregated fund, designated the governor's read to lead development fund, consisting of all contributions made to the fund. The bill appropriates moneys in the fund to the governor and to the state superintendent to award grants in support of literacy and early childhood development programs. The governor may award a grant to any person other than a school board. The state superintendent may award a grant only to a school board. The governor and the state superintendent jointly determine the amount of each grant. The bill directs the Read to Lead Development Council to advise the governor and state superintendent on grant recipients.

#### Assessments of reading readiness

This bill directs each school board and each independent charter school annually to assess all pupils in five-year-old kindergarten programs for reading readiness. If the Department of Public Instruction (DPI) determines that sufficient moneys are available, the school board and the charter school must also assess all pupils in four-year-old kindergarten programs. The school board and charter school must use an assessment selected by DPI. The school board and charter school must provide a pupil whose assessment indicates that he or she is at risk of reading difficulty with remedial reading services. The bill appropriates moneys to DPI to provide school districts and independent charter schools with the assessments.

#### Teacher licensure

Beginning January 1, 2014, the bill prohibits DPI from issuing an initial teaching license that authorizes the holder to teach in grades kindergarten to five or in special education unless the applicant has passed an examination that tests the applicant's knowledge of specified facets of reading development and reading instruction. The bill provides that any teacher who passes the examination must notify DPI in order to have a notation added to the teacher's license indicating that he or she passed the examination.

#### Teacher preparatory programs

Under current law, DPI establishes standards and requirements for and approves education programs leading to licensure as a teacher, including programs leading to licensure as an alternative education program teacher. This bill requires each teacher education program located in this state to, beginning on July 1, 2012, and annually thereafter, provide DPI with a list of graduates, and their graduation dates, from each term or semester of the program's most recently completed academic year. The bill requires DPI to include this information about graduates of teacher education programs in the statewide student information system.

This bill requires DPI to work in consultation with the governor's office, the University of Wisconsin system, chairpersons and ranking members of the senate and assembly education committees, the technical college system, and the Wisconsin Association of Independent Colleges and Universities to determine how the performance of recent graduates of teacher education programs should be used to evaluate the teacher education programs and what measures of performance will be used to evaluate teacher performance. The bill also requires DPI to develop a system through which information about teacher performance and the evaluation of teacher education programs will be made available to the public. The bill requires DPI, beginning in the 2013-14 school year, to report for each teacher education program the rate of passage on first attempt of students and graduates of the program on examinations administered for licensure as a teacher and as an alternative education program teacher, and any other information recommended by DPI

in consultation with the entities above, on the system developed as required in the bill. Beginning in the 2013–14 school year, each teacher education program must prominently display this information on the program's web site and provide this information to persons receiving admissions information to the program.

#### Educator effectiveness evaluations

This bill also requires DPI to develop an educator effectiveness evaluation system (state system) and to develop, by rule, an equivalency process aligned with the state system (equivalency process) to assist school districts in the evaluation of the performance of teachers and principals in the district. Under the state system, 50 percent of the total evaluation score assigned to a teacher or principal must be based on measures of student performance, and 50 percent of the total evaluation score must be based upon the extent to which the teacher's or principal's practice meets standards established under the 2011 Interstate Teacher Assessment and Support Consortium or under the 2008 Interstate School Leaders Licensure Consortium Educational Leadership Policy Standards, respectively. The equivalency process must be based upon the same interstate standards as the state system and must evaluate a teacher with reference to the following four domains: planning and preparation, the classroom environment, instruction, and professional responsibilities and development. Teachers and principals evaluated under both the state system and the equivalency process must be placed in one of multiple performance categories. Each school district must begin evaluating teachers and principals using either the state system or the equivalency process in the 2014–15 school year.

#### State Fiscal Effect:

##### Read to lead

The bill creates a new SEG fund, the governor's read to lead development fund. The new Read to Lead Development Council makes recommendations to the governor and the state superintendent who will award grants for literacy or early childhood programs from two new sum sufficient appropriations drawing from this newly created trust fund. The governor can award grants to a person while the state superintendent can award grants to a school board. While the bill states that the two will jointly determine the amount of the grants, it is not clear if each will have the same amount of money to award from the new trust fund.

In FY12, the bill transfers \$400,000 GPR from the general fund to the new SEG read to lead development fund. In addition, the bill repeals appropriation s. 20.505 (4) (c) which was created in 2011 Act 32 and provided \$600,000 GPR in each year of the 2011-13 biennium for a literacy initiative.

##### Assessments of reading readiness

The bill requires DPI to select an appropriate assessment of literacy fundamentals. In addition, the department will have to validate the test and establish acceptable scores. The costs to perform these tasks are indeterminate.

The bill appropriates \$800,000 GPR in FY13 for DPI to provide districts and charter schools with the assessment of reading readiness. The bill notes that if sufficient funds are available, 4-year-old kindergarten students should also be screened in addition to the required 5K students. While not stated in the bill, it is assumed the department will purchase an existing reading screener.

It should also be noted that the bill provides the \$800,000 GPR in a Program 2 appropriation in the Chapter 20 schedule. Program 2 appropriations are designated for school aids, but DPI is not making payments to districts for the reading screener. Thus, the new appropriation should likely be created as a Program 1 operations appropriation.

##### Teacher licensure

It is expected that the state will have to build into its new educator online licensing system the information regarding whether or not an educator has taken the reading exam that will be necessary for licensing any initial K-5 teacher. It is expected this cost will be minimal because the online system is still being developed.

##### Teacher preparatory programs

Beginning in the 2013-14 school year, the department must use a performance evaluation system of recent graduates developed by the department, governor, co-chairs and ranking members of the education committees, UW system, tech college system and the Wis. Assoc. of Independent Colleges and Universities to do the following:

- Determine how the performance of recent graduates will be used to evaluate the teacher prep/educator program.
- Determine how the measures of performance of recent graduates will be made accessible to the public.
- Develop a system to publicly report the measures of performance.

In addition, beginning in 2013-14, the department must annually report for each teacher prep/educator program, the passage rate on first attempt of students and graduates of the program on exams administered for licensure and any other information developed by the workgroup. Assuming the exam referenced in this provision is the teacher performance assessment (TPA) that the department has been working on this last year for future implementation, the department and/or IHEs will incur costs in recruiting individuals to become calibrated scorers of the test and in providing professional development to IHE staff in administering the test. Individuals taking the test will pay \$300. Approximately 3,000 initial educators graduate from teacher prep/educator programs each year. Therefore, the department will have to review at least 3,000 exams annually and determine the passage rate on first attempts of taking the test. The department will also have to review any other information relating to those 3,000 initial educators that the workgroup determines should be used to report measures of performance for teacher prep/education programs. These costs are indeterminate since the workgroup has not yet formed or developed the required measures. It is unclear whether the department could absorb the extra costs associated with these provisions.

#### Educator effectiveness evaluations

By the 2014-15 school year, the department must have in place a statewide educator effectiveness evaluation system according to a specified framework and develop an equivalency process aligned with the evaluation system for school districts seeking to utilize an alternative process.

Costs associated with developing and implementing the teacher evaluation system described in the bill are indeterminate at this time but will require both state and local resources to ensure this system is fully developed and able to be implemented statewide. Costs will include, but are not limited to, the development of statewide training and implementation, pilot development, data systems development, guidance and resources development and evaluation of the systems. Further, ongoing evaluator training and calibration will be essential to ensure the reliability and validity of the system. Neither the department nor local districts will be able to absorb the costs associated with these provisions. The department is required to submit information regarding the cost of developing and implementing the educator effectiveness evaluation system and equivalency process in its 2013-15 biennial budget request.

#### Local Fiscal Effect:

##### Read to lead

Persons, including school districts, may be eligible for literacy or early childhood development grants that they were not eligible for in prior years. The governor currently provides literacy improvement aids under 20.525 (1) (f); however, the bill would add an additional appropriation, 20.525 (1) (q), in the governor's office, as well as 20.255 (2) (q) in the DPI, for literacy or early childhood development programs. Only the state superintendent may award a grant to a school district. Because the new appropriations are sum sufficient using money from the newly developed governor's read to lead development fund made up of gifts, grants, bequests and other contributions to the fund, the amount of any additional grant money and the number of grants is indeterminate.

##### Assessments of reading readiness

Students whose reading screeners indicate their reading readiness is low will need to be provided remedial reading services. Districts or charter schools will need to cover this indeterminate cost for each student identified. It is likely districts and charter schools will have to create new remedial reading programs and interventions to serve those students newly identified.

The cost to administer the reading screener is also indeterminate as it will depend how many students need to be screened and the time necessary to perform each screen. Regardless, there will be a personnel cost to districts and charter schools to perform an individual reading screen.

##### Teacher licensure

As part of obtaining a K-5 teaching license, initial educators must take a reading exam. There will be a cost associated with such an exam. Institutions of higher education (IHEs) may potentially offer the exam as part of their teacher preparatory program. Continuing educators voluntarily seeking to take the exam may request reimbursement of the exam cost from their local school district. The potential cost to either IHEs or districts is indeterminate.

##### Teacher preparatory programs

Districts and charter schools may have costs if members of their PK-12 staff participate in the TPA calibration and the professional development necessary to learn about such calibration. These costs are indeterminate and permissive as the district or charter school could choose not to release their staff for these activities.

### **Educator effectiveness evaluations**

The cost to implement an educator evaluation system will vary from district to district depending on the amount of time put into the evaluation and the number of educators to be evaluated. The number of pupils and tests that will have to be linked to an educator's performance will also be a factor. Current school employees will need release time to attend training and evaluate teachers/principals, in addition to participating in refresher training and calibration. Further, best practices would ensure that the principal (who will also be evaluated based on student learning) is a primary evaluator. These costs are indeterminate.

### **Long-Range Fiscal Implications**