

BILL SUMMARY
1st Session of the 52nd Legislature

Bill No.:	HB 1575
Version:	Proposed Committee Sub (Req. 6696)
Author:	Representative Banz
Date:	February 11, 2009
Impact:	\$0

Bill Summary

Research Analyst: Michael Hirlinger

The measure modifies the number and amount of awards within the Academic Achievement Award (AAA) program. If funding is available, the bill requires monetary awards to be paid to each qualified employee at each school identified as having attained Gold level (API between 1,499 and 1,395; award = \$1,500), Silver level (API between 1,394 and 1,275; award = \$1,000), and Bronze level (API between 1,274 and 1,155; award = \$500). No qualified employee on a plan of improvement will receive an award unless approved by the Superintendent.

Fiscal Summary

Fiscal Analyst: Nicole Barnes

The proposed committee substitute for HB 1575 contains a number of provisions related to the Academic Achievement Award (AAA) Program, including the addition of Gold, Silver and Bronze standards by which teachers earn specific bonuses at any school that achieves a certain three-year average score, modification of award amounts, and modifying the number of sites eligible for awards to the highest achieving and highest annual improvement awards as measured by a three-year average of scores on the Academic Performance Index (API).

Fiscal Analysis

The Group divisions for schools that attain the highest overall student achievement and the schools that attain the highest annual improvement are as follows:

- Group 1: 0-135 ADM;
- Group 2: 136-235 ADM;
- Group 3: 236-345 ADM;
- Group 4: 346-505 ADM;
- Group 5: 506 or more ADM.

Awards will be calculated in the following manner:

Highest Achieving, as measured by the average of the last three reported API Scores:
-\$2,000 to every certified employee in each first place school in each group.

Highest Annual Improvement, as measured by the average of the last three years' percentage improvement in API Scores:
-\$2,000 to every certified employee in each first place school in each group.

The State Department of Education estimates an average of 27 teachers per school site. When the number of teachers (27) is multiplied times the monetary value of the awards (\$4,000) and the number of size groups (5), the total cost comes out to \$540,000.

To determine the number of teachers eligible for the perfect 1,500 API score bonus, one would multiply the number of school sites that averaged 1,500 when regular students were tested (6 in 2008) times the number of teachers at each site (27) times the value of the bonus (\$1,500), for a total of \$243,000. The same process would follow for those averaging at least 1,395 when All Students were tested (59 sites x 27 teachers x \$1,000 = \$1,593,000), those averaging at least 1,275 (287 sites x 27 teachers x \$500 = \$3,874,500) and those averaging at least 1,155 (546 sites x 27 teachers x \$250 = \$3,685,500). Total cost of the perfect score, Gold, Silver and Bronze Awards in FY-10 would equal \$9,396,000.

Combining all Highest Achieving, Highest Annual Improvement, perfect, Gold and Silver Awards brings the total impact to \$9,936,000. Current expenditures on the AAA Program total \$2,595,000; the difference would total \$7,341,000 for FY-10. However, the measure makes the number of available awards based on the amount of funding provided, with priority given first to Highest Achieving and Highest Annual Improvement schools. Thereafter, Perfect Score awards are distributed, then Gold awards, etc.

Following the process described above, the current appropriation of \$2,595,000 would represent enough to provide awards to the Highest Achieving, Highest Annual Improvement, Perfect Score, and all Gold schools, with enough remaining to fund approximately 16 Silver schools.

Long Term Fiscal Considerations

None

Fiscal Analysis Reviewed by:

Mark Tygret

House Fiscal Director