

# HOUSE RESEARCH

## Bill Summary

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### Overview

Proposes to amend the statewide teacher evaluation system by establishing a voluntary teacher performance-linked pay system available to all interested school districts, intermediate school districts, and charter schools as part of a joint teacher evaluation agreement. Proposes to repeal the current alternative teacher pay/Q-Comp system for the 2017-2018 school year and later.

### Section

**1 Development, evaluation, and peer coaching and performance-linked pay.** (a) Allows a school board and the exclusive representative of the teachers to develop a performance pay system through joint agreement that is consistent with paragraph (d).

(d) Requires the performance pay system to: (1) identify tools to measure student performance and progress; (2) establish improvement goals and benchmarks; (3) describe career advancement and added compensation opportunities for teachers; (4) indicate how career advancement opportunities allow teachers to remain in the classroom and help other teachers at the site; (5) reform the salary schedule, prevent the compensation of participating teachers from being reduced as a result of their participation under this paragraph, and base all compensation increases under this paragraph on teacher performance; and (6) be consistent with PELRA except that agreement may be for a two-year or four-year term.

(e) Allows a school board and the exclusive representative of the teachers to reopen a collective bargaining agreement for purposes of adopting a performance pay system under paragraph (d). Limits negotiations under a reopened contract to performance pay system issues.

## Section

Makes this section effective immediately and applicable to the 2015-2016 school year and later.

- 2**      **Development, evaluation, and peer coaching and performance-linked pay.** (a) Allows a school board and the exclusive representative of the teachers to develop a performance pay system through joint agreement that is consistent with paragraph (d).

(d) Requires the performance pay system to: (1) identify tools to measure student performance and progress; (2) establish improvement goals and benchmarks; (3) describe career advancement and added compensation opportunities for teachers; (4) indicate how career advancement opportunities allow teachers to remain in the classroom and help other teachers at the site; (5) reform the salary schedule, prevent the compensation of participating teachers from being reduced as a result of their participation under this paragraph, and base all compensation increases under this paragraph on teacher performance; and (6) be consistent with PELRA except that agreement may be for a two-year or four-year term.

(e) Allows a school board and the exclusive representative of the teachers to reopen a collective bargaining agreement for purposes of adopting a performance pay system under paragraph (d). Limits negotiations under a reopened contract to performance pay system issues.

Makes this section effective immediately and applicable to the 2015-2016 school year and later.

- 3**      **Performance pay for charter schools.** Allows charter schools to develop a performance pay system that must: (1) include the elements described in section 1, paragraph (d); (2) comply with section 1, paragraph (d), clause (6), if the system is governed by a collective bargaining agreement; (3) be adopted by the charter school board of directors; and (4) be formally approved by 70 percent of the teachers employed at the charter school unless the performance pay system is part of the initial charter and in place before the charter school begins operating.

Makes this section effective immediately and applicable to the 2015-2016 school year and later.

- 4**      **General education revenue.** Includes evaluation and performance revenue and aid in the general education revenue calculation for charter schools.

- 5**      **General education revenue.** Includes evaluation and performance revenue in the general education revenue calculation for school districts.

- 6**      **Evaluation and performance revenue.** (a) For fiscal year 2016 and later, provides a school district or charter school that (1) notifies the education commissioner by October 1 of the previous fiscal year of its intent to implement a performance plan and (2) certifies by October 1 of the current fiscal year that it has implemented the plan evaluation and performance revenue equal to \$260 times the number of pupils enrolled at the district or site on October 1 of the previous fiscal year. Allocates an unspecified percent of this revenue for

## Section

compensation increases consistent with the school district or charter school performance plan.

(b) For fiscal year 2016, makes evaluation and performance revenue for a school district or charter school not receiving revenue under paragraph (a) equal to an unspecified amount times the number of pupils enrolled at the district or site on October 1 of the previous fiscal year.

(c) Makes evaluation and performance revenue for an intermediate school district equal to the basic evaluation and performance aid for an intermediate school district calculated under section 7.

(d) Allocates \$0 evaluation and performance revenue for a school district, intermediate school district, or charter school currently receiving alternative compensation (Q-Comp) revenue.

(e) Calculates evaluation and performance revenue for a newly combined or consolidated district using the sum of pupils enrolled on October 1 of the previous year in the combining or consolidating school districts. Allows the commissioner to adjust revenue computed for a site to accommodate school closings or openings or grade level reconfigurations occurring between the prior and current year.

(f) Uses the number of pupils enrolled on October 1 of the current year to calculate evaluation and performance revenue for a newly operating charter school.

**7 Basic evaluation and performance aid.** For fiscal year 2016 and later, makes a school district's evaluation and performance levy equal 65 percent of its evaluation and performance revenue under section 6. Makes an intermediate school district's evaluation and performance aid equal \$260 times the number of pupils enrolled in the school on October 1 of the previous school year times the ratio of the sum of the evaluation and performance aid and levy of all participating school districts to maximum evaluation and performance revenue for those school districts under section 6. Makes the basic evaluation and performance aid for a charter school equal the evaluation and performance revenue under section 6.

**8 Evaluation and performance levy.** For fiscal year 2016 and later, makes a school district's evaluation and performance levy equal the product of (1) the difference between the district's evaluation and performance revenue and aid, times (2) the lesser of one or the ratio of the district's net tax capacity per adjusted pupil unit to \$6,100.

**9 Evaluation and performance equalization aid.** (a) For fiscal year 2016 and later, makes a district's evaluation and performance equalization aid equal the district's evaluation and performance revenue minus aid minus levy. Proportionately the equalization aid of a school district that does not levy the entire amount permitted.

(b) Makes a school district's evaluation and performance aid equal the sum of its basic and equalized evaluation and performance aid.

**Section**

- 10**      **General education aid.** (b) For fiscal year 2015 and later, includes evaluation and performance revenue and aid in calculating a district's general education aid.
- 11**      **Performance pay system.** Allows an intermediate school district to develop a performance pay system that includes the elements in section 1, paragraph (d), clauses (1) to (6).
- Makes this section effective immediately and applicable to the 2015-2016 school year and later.
- 12**      **Repealer.** Repeals Q-Comp sections 122A.413 (educational improvement plan), 122A.414 (alternative teacher pay), 122A.4144 (supplemental agreements; alternative teacher pay), 122A.415 (alternative compensation revenue), 122A.4155 (alternative compensation rural district application assistance), and 122A.416 (alternative teacher compensation revenue for Perpich Center for Arts Education and multidistrict integration collaboratives) for the 2017-2018 school year and later.