

- 28 • develop policies and enact rules;
- 29 ▶ requires the board to award grants to qualifying early childhood education programs
- 30 based on recommendations of the State Board of Education and the Department of
- 31 Workforce Services and other criteria;
- 32 ▶ requires the Governor's Office of Management and Budget to staff the board;
- 33 ▶ requires the repayment to private entities to be conditioned on meeting performance
- 34 outcomes set in the contract;
- 35 ▶ requires an independent evaluation of the performance outcomes;
- 36 ▶ allows the board no more than \$15,000,000 of outstanding obligations at any one
- 37 time;
- 38 ▶ exempts the awarding of a results-based contract from general procurement
- 39 requirements; and
- 40 ▶ establishes reporting requirements.

41 **Money Appropriated in this Bill:**

42 This bill appropriates in fiscal year 2015:

- 43 ▶ to the General Fund Restricted - School Readiness ~~H→~~ [~~Special Revenue Fund~~]

43a **Restricted Account** ~~←H~~ , as an

44 ongoing appropriation:

- 45 • from the General Fund, ~~S→~~ [~~\$5,000,000~~] \$3,000,000 ~~←S~~ ~~H→~~ [:] ; and

45a ▶ to Governor's Office - Governor's Office of Management and Budget, as an ongoing

45b appropriation:

- 45c • from the School Readiness Restricted Account, S→ [~~\$5,000,000~~] \$3,000,000 ~~←S~~ . ~~←H~~

46 **Other Special Clauses:**

47 This bill provides an effective date.

48 **Utah Code Sections Affected:**

48a ~~H→~~ **AMENDS:**

48b 63J-1-602.3, as last amended by Laws of Utah 2013, Chapters 117 and 295 and last

48c amended by Coordination Clause, Laws of Utah 2013, Chapter 117 ~~←H~~

49 ENACTS:

- 50 **53A-1b-101**, Utah Code Annotated 1953
- 51 **53A-1b-102**, Utah Code Annotated 1953
- 52 **53A-1b-103**, Utah Code Annotated 1953
- 53 **53A-1b-104**, Utah Code Annotated 1953
- 54 **53A-1b-105**, Utah Code Annotated 1953

- 55 **53A-1b-106**, Utah Code Annotated 1953
- 56 **53A-1b-107**, Utah Code Annotated 1953
- 57 **53A-1b-108**, Utah Code Annotated 1953
- 58 **53A-1b-109**, Utah Code Annotated 1953

59 [53A-1b-110](#), Utah Code Annotated 1953

60 [53A-1b-111](#), Utah Code Annotated 1953



62 *Be it enacted by the Legislature of the state of Utah:*

63 Section 1. Section **53A-1b-101** is enacted to read:

64 **CHAPTER 1b. SCHOOL READINESS INITIATIVE**

65 **Part 1. School Readiness Initiative Act**

66 **53A-1b-101. Title.**

67 This chapter is known as "School Readiness Initiative."

68 Section 2. Section **53A-1b-102** is enacted to read:

69 **53A-1b-102. Definitions.**

70 As used in this part:

71 (1) "Board" means the School Readiness Board, created in Section [53A-1b-103](#).

72 (2) "Economically disadvantaged" means a student who:

73 (a) is eligible to receive free lunch;

74 (b) is eligible to receive reduced price lunch; or

75 (c) (i) is not otherwise accounted for in Subsection (2)(a) or (b); and

76 (ii) (A) is enrolled in a Provision 2 or Provision 3 school, as defined by the United

77 States Department of Agriculture;

78 (B) has a Declaration of Household Income on file;

79 (C) is eligible for a fee waiver; or

80 (D) is enrolled at a school that does not offer a lunch program and is a sibling of a

81 student accounted for in Subsection (2)(a) or (b).

82 (3) "Eligible home-based educational technology provider" means a provider that

83 intends to offer a home-based educational technology program.

84 (4) "Eligible LEA" means an LEA that has a data system capacity to collect

85 longitudinal academic outcome data, including special education use by student, by identifying

86 each student with a statewide unique student identifier.

87 (5) (a) "Eligible private provider" means a child care program that:

88 (i) (A) except as provided in Subsection (5)(b), is licensed under Title 26, Chapter 39,

89 Utah Child Care Licensing Act; or

90 (B) is exempt from licensure under Section 26-39-403; and
 91 (ii) meets other criteria as established by the board, consistent with Utah Constitution,
 92 Article X, Section 1.

93 (b) "Eligible private provider" does not include residential child care, as defined in
 94 Section 26-39-102.

95 (6) "Eligible student" means a student who is economically disadvantaged.

96 (7) "Local Education Agency" or "LEA" means a school district or charter school.

97 (8) "Performance outcome measure" means a cost avoidance in special education use

98 ~~for~~ [or other remedial services] ~~for~~ for ~~a student funded pursuant to a contract under this~~
 98a part.]

98b a student at-risk for later special education placement in kindergarten through grade 12 who
 98c receives preschool education funded pursuant to a results-based school readiness contract. ~~for~~

99 (9) (a) "Private entity" means a private investor or investors that enter into a
 100 results-based school readiness contract.

101 (b) "Private entity" includes an authorized representative of the private investor or
 102 investors.

103 (10) "Results-based school readiness contract" means a contract entered into by the
 104 board, a private entity, and a provider of early childhood education that may result in
 105 repayment to a private entity if certain performance outcome measures are achieved.

105a ~~for~~ (11) "Student at-risk for later special education placement" means a preschool student
 105b who, at preschool entry, scores at or below two standard deviations below the mean on the
 105c assessment selected by the board under Section 53A-1b-110. ~~for~~

106 Section 3. Section 53A-1b-103 is enacted to read:

107 **53A-1b-103. Establishment of the School Readiness Board -- Membership.**

108 (1) There is created a School Readiness Board within the Governor's Office of
 109 Management and Budget composed of:

110 (a) the director of the Department of Workforces Services or the director's designee;

111 (b) one member appointed by the State Board of Education;

112 (c) one member appointed by the chair of the State Charter School Board;

113 (d) one member appointed by the speaker of the House of Representatives; and

114 (e) one member appointed by the president of the Senate.

115 (2) (a) A member described in Subsections (1)(c), (d), and (e) shall serve for a term of
 116 two years.

117 (b) If a vacancy occurs for a member described in Subsection (1)(c), (d), or (e), the
 118 person appointing the member shall appoint a replacement to serve the remainder of the
 119 member's term.

120 (3) A member may not receive compensation or benefits for the member's service.

121 (4) Upon request, the Governor's Office of Management and Budget shall provide staff
 122 support to the board.

123 (5) (a) The board members shall elect a chair of the board from the board's
 124 membership.

125 (b) The board shall meet upon the call of the chair or a majority of the board members.

126 Section 4. Section **53A-1b-104** is enacted to read:

127 **53A-1b-104. School Readiness** ~~Ĥ→ [Special Revenue Fund]~~ **Restricted Account** ~~←Ĥ~~ --
 127a **Creation -- Funding --**

128 **Distribution of funds.**

129 (1) There is created ~~Ĥ→ [a special revenue fund]~~ ~~←Ĥ~~ in the ~~Ĥ→ [Education]~~ **General** ~~←Ĥ~~
 129a **Fund** ~~Ĥ→~~ **a restricted account** ~~←Ĥ~~ known as the

130 **"School Readiness** ~~Ĥ→ [Special Revenue Fund]~~ **Restricted Account** ~~←Ĥ~~ **"** to fund:

131 (a) the High Quality School Readiness Grant Program described in Section
 132 53A-1b-106; and

133 (b) results-based school readiness contracts for eligible students to participate in:

134 (i) a high quality preschool program described in:

135 (A) Section 53A-1b-107; or

136 (B) Section 53A-1b-108; or

137 (ii) an eligible home-based educational technology program described in Section
 138 53A-1b-109.

139 (2) The ~~Ĥ→ [special revenue fund]~~ **restricted account** ~~←Ĥ~~ consists of:

140 (a) money appropriated to the restricted account by the Legislature;

141 (b) all income and interest derived from the deposit and investment of money in the
 142 account;

143 (c) federal grants; and

144 (d) private donations.

145 (3) ~~Ĥ→ [The board may annually use funds in the special revenue fund]~~ **Subject to**
 145a **legislative appropriations, money in the restricted account may be used** ~~←Ĥ~~ for the following
 146 purposes:

147 (a) to award grants under the High Quality School Readiness Grant Program described
 148 in Section 53A-1b-106;

149 (b) to contract with an independent evaluator as required in Subsection 53A-1b-110(3);

150 (c) in accordance with Section 53A-1b-110, to make payments to one or more private
 151 entities that the board has entered into a results-based contract with if the independent

152 evaluator selected by the board determines that the performance-based results have been met;
 153 and

154 (d) ~~§~~ → [up to 2% annually] ← ~~§~~ ~~H~~ → ~~§~~ → [of the amount appropriated by legislature under

154a1 Subsection

154a (2)(a), ← ~~§~~ ← ~~H~~ for administration costs and to monitor the programs described
 155 in this part.

156 Section 5. Section **53A-1b-105** is enacted to read:

157 **53A-1b-105. Elements of a high quality school readiness program.**

158 (1) A high quality school readiness program run by an eligible LEA or eligible private
 159 provider shall include the following components:

160 (a) an evidence-based curriculum that is aligned with all of the developmental domains
 161 and academic content areas defined in the Utah Early Childhood Standards adopted by the
 162 State Board of Education, and incorporates intentional and differentiated instruction in whole
 163 group, small group, and child-directed learning, including the following academic content
 164 areas:

165 (i) oral language and listening comprehension;

166 (ii) phonological awareness and prereading;

167 (iii) alphabet and word knowledge;

168 (iv) prewriting;

169 (v) book knowledge and print awareness;

170 (vi) numeracy;

171 (vii) creative arts;

172 (viii) science and technology; and

173 (ix) social studies, health, and safety;

174 (b) ongoing, focused, and intensive professional development for staff of the school
 175 readiness program;

176 (c) ongoing assessment of a student's educational growth and developmental progress
 177 to inform instruction;

178 (d) a pre- and post-assessment, selected by the board in accordance with Section
 179 53A-1b-110, of each student;

180 (e) for a preschool program run by an eligible LEA, a class size that does not exceed 20
 181 students, with one adult for every 10 students in the class;

182 (f) ongoing program evaluation and data collection to monitor program goal

183 achievement and implementation of required program components;

184 (g) family engagement, including ongoing communication between home and school,
185 and parent education opportunities based on each family's circumstances;

186 (h) for a preschool program run by an eligible LEA, each teacher having at least
187 obtained:

188 (i) the minimum standard of a child development associate certification; or

189 (ii) an associate or bachelor's degree in an early childhood education related field; and

190 (i) for a preschool program run by an eligible private provider, by a teacher's second
191 year, each teacher having at least obtained:

192 (i) the minimum standard of a child development associate certification; or

193 (ii) an associate or bachelor's degree in an early childhood education related field.

194 (2) A high quality school readiness program run by a home-based educational

195 technology provider shall:

196 (a) be an evidence-based and age appropriate individualized interactive instruction
197 assessment and feedback technology program that teaches eligible students early learning skills
198 needed to be successful upon entry into kindergarten;

199 (b) require regular parental engagement with the student in the student's use of the
200 home-based educational technology program;

201 (c) be aligned with the Utah early childhood core standards;

202 (d) require the administration of the pre- and post-assessment, designated by the board
203 in accordance with Section [53A-1b-110](#), of each eligible student; and

204 (e) require technology providers to ensure successful implementation and utilization of
205 the technology program.

206 Section 6. Section **53A-1b-106** is enacted to read:

207 **53A-1b-106. High Quality School Readiness Grant Program.**

208 (1) The High Quality School Readiness Grant Program is created to provide grants to
209 the following, in order to upgrade an existing preschool or home-based technology program to
210 a high quality school readiness program:

211 (a) an eligible private provider;

212 (b) an eligible LEA; or

213 (c) an eligible home-based educational technology provider.

214 (2) The State Board of Education shall:

215 (a) solicit proposals from eligible LEAs; and

216 (b) make recommendations to the board to award grants to respondents based on
 217 criteria described in Subsection (5).

218 (3) The Department of Workforce Services shall:

219 (a) solicit proposals from eligible private providers and eligible home-based
 220 educational technology providers; and

221 (b) make recommendations to the board to award grants to respondents based on
 222 criteria described in Subsection (5).

223 (4) Subject to legislative appropriations, the board shall award grants to respondents
 224 based on:

225 (a) the recommendations of the State Board of Education;

226 (b) the recommendations of the Department of Workforce Services; and

227 (c) the criteria described in Subsection (5).

228 (5) ~~§~~ ~~→~~ (a) ~~←~~ ~~§~~ In awarding a grant under Subsection (4), the State Board of Education,

228a Department

229 of Workforce Services, and the board shall consider:

230 ~~§~~ ~~→~~ ~~(a)~~ (i) ~~←~~ ~~§~~ a respondent's capacity to effectively implement the components described
 230a in

231 Section [53A-1b-105](#);

232 ~~§~~ ~~→~~ ~~(b)~~ (ii) ~~←~~ ~~§~~ the percentage of a respondent's students who are economically
 232a disadvantaged; and

233 ~~§~~ ~~→~~ ~~(c)~~ (iii) ~~←~~ ~~§~~ the level of administrative support and leadership at a respondent's
 233a program to

234 effectively implement, monitor, and evaluate the program.

234a ~~§~~ ~~→~~ (b) **The board may not award a grant to an LEA without obtaining approval from the**

234b **State Board of Education to award the grant to the LEA.** ~~←~~ ~~§~~

235 (6) To receive a grant under this section, a respondent that is an eligible LEA shall
 236 submit a proposal to the State Board of Education detailing:

237 (a) the respondent's strategy to implement the high quality components described in
 238 Subsection [53A-1b-105](#)(1);

239 (b) the number of students the respondent plans to serve, categorized by age and
 240 economically disadvantaged status;

241 (c) the number of high quality preschool classrooms the respondent plans to operate;
 242 and

243 (d) the estimated cost per student.

244 (7) To receive a grant under this section, a respondent that is an eligible private

245 provider or an eligible home-based educational technology provider shall submit a proposal to
246 the Department of Workforce Services detailing:

247 (a) the respondent's strategy to implement the high quality components described in
248 Section 53A-1b-105;

249 (b) the number of students the respondent plans to serve, categorized by age and
250 economically disadvantaged status;

251 (c) for a respondent that is an eligible private provider, the number of high quality
252 preschool classrooms the respondent plans to operate; and

253 (d) the estimated cost per student.

254 (8) All recipients of grants under this section shall establish a preschool or home-based
255 educational technology program with the components described in Section 53A-1b-105.

256 (9) (a) A grant recipient shall allow classroom or other visits by an independent
257 evaluator chosen by the board in accordance with Section 53A-1b-110.

258 (b) The independent evaluator shall:

259 (i) determine whether a grant recipient has effectively implemented the components
260 described in Section 53A-1b-105; and

261 (ii) report the independent evaluator's findings to the board.

262 (10) (a) A grant recipient that is an eligible LEA shall assign a statewide unique
263 student identifier to each eligible student funded pursuant to a grant received under this section.

264 (b) A grant recipient that is an eligible private provider or an eligible home-based
265 educational technology provider shall work in conjunction with the State Board of Education to
266 assign a statewide unique student identifier to each eligible student funded pursuant to a grant
267 received under this section.

268 (11) A grant recipient that is an LEA shall report annually to the board and the State
269 Board of Education the following:

270 (a) number of students served by the preschool, reported by economically
271 disadvantaged status;

272 (b) attendance;

273 (c) cost per student; and

274 (d) assessment results.

275 (12) A grant recipient that is an eligible private provider or an eligible home-based

276 educational technology provider shall report annually to the board and the Department of
 277 Workforce Services the following:

278 (a) number of students served by the preschool or program, reported by economically
 279 disadvantaged status;

280 (b) attendance;

281 (c) cost per student; and

282 (d) assessment results.

283 (13) The State Board of Education and the Department of Workforce Services shall
 284 make rules to effectively administer and monitor the High Quality School Readiness Grant
 285 Program, including:

286 (a) requiring grant recipients to use the pre- and post-assessment selected by the board
 287 in accordance with Section 53A-1b-110; and

288 (b) establishing reporting requirements for grant recipients.

289 (14) At the request of the board, the State Board of Education and the Department of
 290 Workforce Services shall ~~H→ [report]~~ annually share ~~←H~~ the information received from grant
 290a recipients described in

291 Subsections (11) and (12) ~~H→ [to]~~ with ~~←H~~ the board.

292 Section 7. Section **53A-1b-107** is enacted to read:

293 **53A-1b-107. High quality preschool programs for eligible LEAs.**

294 (1) To receive funding pursuant to a results-based contract awarded under Section
 295 53A-1b-110, an eligible LEA shall establish or currently operate a high quality preschool with
 296 the components described in Subsection 53A-1b-105(1).

297 (2) An eligible LEA shall assign a statewide unique student identifier to each eligible
 298 student funded pursuant to a results-based contract issued under this part.

299 (3) An eligible LEA may not use funds awarded pursuant to a results-based contract to
 300 supplant funds for an existing high quality preschool program, but may use the funds to
 301 supplement an existing high quality preschool program.

302 (4) If permitted under Title 1 of the No Child Left Behind Act of 2001, 20 U.S.C. Sec.
 303 6301-6578, an LEA may charge a sliding scale fee to a student participating in a high quality
 304 preschool program under this section, based on household income.

305 (5) An LEA that receives funds under this section shall report annually to the board the
 306 de-identified information described in Section 53A-1b-111.

307 (6) (a) An eligible LEA may contract with an eligible private provider to provide the
308 high quality preschool program to a portion of the LEA's eligible students funded by a
309 results-based contract.

310 (b) The board shall determine in a results-based contract the portion of an LEA's
311 eligible students funded by the results-based contract to be served by an eligible private
312 provider.

313 (7) To receive funding pursuant to a results-based contract, an eligible private provider
314 shall:

315 (a) offer a preschool program that contains the components described in Subsection
316 53A-1b-105(1);

317 (b) allow classroom visits by the evaluator chosen in accordance with Section
318 53A-1b-110 and the private entity, to ensure the components described in this section are
319 implemented;

320 (c) allow the evaluator chosen in accordance with Section 53A-1b-110 to administer
321 the required pre- and post-assessments to eligible students funded under this part; and

322 (d) report the information described in Section 53A-1b-111 to the board and the
323 contracting LEA.

324 (8) An LEA may provide the eligible private provider with:

325 (a) professional development;

326 (b) staffing or staff support;

327 (c) materials; and

328 (d) assessments.

329 (9) (a) If permitted under Title 1 of the No Child Left Behind Act of 2001, 20 U.S.C.
330 Sec. 6301-6578, an eligible private provider may charge a sliding scale fee to a student
331 participating in a high quality preschool program under this section, based on household
332 income.

333 (b) The eligible private provider may use grants, scholarships, or other funds to help
334 fund the preschool program.

335 (10) A contractual partnership established under Subsection (6) shall be consistent with
336 Utah Constitution, Article X, Section 1.

337 (11) The evaluator selected pursuant to Section 53A-1b-110 shall annually evaluate:

338 (a) the quality and outcomes of the high quality preschool program funded by a
339 results-based contract between a private entity and the board, including:
340 (i) adherence to required components described in Subsection 53A-1b-105(1); and
341 (ii) the pre- and post-assessment results of the assessment, designated by the board
342 under Section 53A-1b-110, of eligible students in the high quality preschool program; and
343 (b) whether the performance outcome measures set in the results-based contract have
344 been met, using de-identified data reported in Section 53A-1b-111.

345 Section 8. Section 53A-1b-108 is enacted to read:

346 **53A-1b-108. High quality preschool programs for eligible private providers.**

347 (1) To receive funding pursuant to a results-based contract awarded under Section
348 53A-1b-110, an eligible private provider shall:

349 (a) establish or currently operate a high quality preschool with the components
350 described in Subsection 53A-1b-105(1);
351 (b) allow classroom visits by the evaluator chosen in accordance with Section
352 53A-1b-110 and the private entity, to ensure the components described in Section 53A-1b-110
353 are being implemented; and

354 (c) allow the evaluator chosen in accordance with Section 53A-1b-110 to administer
355 the required pre- and post-assessments to eligible students funded under this part.

356 (2) An eligible private provider shall work in conjunction with the State Board of
357 Education to assign a statewide unique student identifier to each eligible student funded
358 pursuant to a results-based contract.

359 (3) An eligible private provider may not use funds awarded pursuant to a results-based
360 contract to supplant funds for an existing high quality preschool program, but may use the
361 funds to supplement an existing high quality preschool program.

362 (4) (a) If permitted under Title 1 of the No Child Left Behind Act of 2001, 20 U.S.C.
363 Sec. 6301-6578, an eligible private provider may charge a sliding scale fee to a student
364 participating in a high quality preschool program under this section, based on household
365 income.

366 (b) The eligible private provider may use grants, scholarships, or other funds to help
367 fund the preschool program.

368 (5) An eligible private provider that receives funds under this section shall report

369 annually to the board the de-identified information described in Section 53A-1b-111.

370 (6) The State Board of Education shall ~~report~~ annually ~~to~~ share with
 370a the board aggregated

371 longitudinal data on eligible students currently receiving funding under this section and any

372 eligible students who previously received funding under this section, including:

373 (a) academic achievement outcomes;

374 (b) special education use; and

375 (c) English language learner services.

376 (7) The evaluator selected pursuant to Section 53A-1b-110 shall annually evaluate:

377 (a) the quality and outcomes of a high quality preschool program funded by a

378 results-based contract between a private entity and the board, including:

379 (i) adherence to required components described in Subsection 53A-1b-105(1); and

380 (ii) the pre- and post-assessment results of the assessment, designated by the board
 381 under Section 53A-1b-110, of eligible students in the high quality preschool program; and

382 (b) whether the performance outcome measures set in the results-based contract have
 383 been met, using de-identified or aggregated data reported in Subsections (5) and (6).

384 Section 9. Section 53A-1b-109 is enacted to read:

385 **53A-1b-109. Home-based educational technology for school readiness.**

386 (1) To receive funding pursuant to a results-based contract awarded under Section
 387 53A-1b-110, an eligible home-based educational technology provider shall administer a
 388 home-based educational technology program designed to prepare eligible students for
 389 kindergarten.

390 (2) An eligible home-based educational technology provider described in Subsection
 391 (1) shall establish or currently operate a high quality school readiness program with the
 392 components described in Subsection 53A-1b-105(2).

393 (3) An eligible home-based educational technology provider shall work in conjunction
 394 with the State Board of Education to assign a statewide unique student identifier to each
 395 eligible student funded pursuant to a results-based contract.

396 (4) An eligible home-based educational technology provider that receives funds under
 397 this section shall report annually to the board the following de-identified information for
 398 eligible students funded in whole or in part pursuant to a results-based contract:

399 (a) number of eligible students served by the home-based educational technology

400 program, reported by economically disadvantaged status and English language learner status;

401 (b) average time, and range of time usage, an eligible student spent using the program

402 per week;

403 (c) cost per eligible student;

404 (d) assessment results of the pre- and post-assessments selected by the board; and

405 (e) number of eligible students served by the home-based educational technology

406 program who participated in any other public or private preschool program, including the type

407 of preschool attended.

408 (5) The State Board of Education shall ~~report~~ annually ~~to~~ share with

408a the board aggregated

409 longitudinal data on eligible students currently receiving funding under this section and any

410 eligible students who previously received funding under this section, including:

411 (a) academic achievement outcomes;

412 (b) special education use; and

413 (c) English language learner services.

414 (6) The evaluator selected pursuant to Section 53A-1b-110 shall annually evaluate:

415 (a) the quality and outcomes of a home-based educational technology program funded

416 by a results-based contract between a private entity and the board, including the pre- and

417 post-assessment results, on the assessment designated by the board under Section 53A-1b-110,

418 of eligible students in the program; and

419 (b) whether the performance outcome measures set in the results-based contract have

420 been met, using de-identified or aggregated data reported in Subsections (4) and (5).

421 Section 10. Section 53A-1b-110 is enacted to read:

422 **53A-1b-110. Results-based school readiness contracts -- Board duties --**

423 **Independent evaluator.**

424 (1) (a) The board may negotiate and enter into a results-based contract with a private

425 entity, selected through a competitive process, to fund:

426 (i) a high quality preschool program described in Section 53A-1b-107;

427 (ii) a high quality preschool program described in Section 53A-1b-108; or

428 (iii) a home-based education technology program described in Section 53A-1b-109.

429 (b) The board may not issue a results-based contract if the total outstanding obligations

430 of results-based contracts issued by the board under this part would exceed \$15,000,000 at any

431 one time.

432 (c) The board may provide for a repayment to a private entity to include a return of
 433 investment and an additional return on investment, dependent on achievement of specific
 434 performance outcome measures set in the results-based contract.

435 (d) The additional return on investment described in Subsection (1)(c) may not exceed
 436 5% above ~~H~~ ~~the yield to maturity for~~ ~~H~~ the current ~~H~~ ~~rate the state receives for the state's~~
 436a general

437 ~~obligation bonds~~ **Municipal Market Data General Obligation Bond AAA scale for a 10 year**
 437a maturity ~~H~~ at the time of the issuance of the results-based school readiness contract.

438 (e) Funding obtained for an early education program under this part is not a
 439 procurement item under Section [63G-6a-103](#).

440 (2) A contract shall include:

441 (a) a requirement that the repayment to the private entity be conditioned on specific
 442 performance outcome measures set in the results-based contract;

443 (b) a requirement for an independent evaluator to determine whether the performance
 444 outcomes have been achieved;

445 (c) a provision that repayment to the private entity is:

446 (i) based upon available money in the School Readiness ~~S~~ ~~Special Revenue Fund~~
 446a Restricted Account ~~S~~ ; and

447 (ii) subject to legislative appropriation; and

448 (d) that the private entity is not eligible to receive or view any personally identifiable
 449 student data of students funded through a results-based contract.

450 (3) The board shall select an independent, nationally recognized early childhood
 451 education evaluator, selected through a request for proposals process, to annually evaluate:

452 (a) performance outcome measures set in a results-based contract of the board; and

453 (b) a High Quality School Readiness Grant Program recipient's program.

454 (4) The board shall select a uniform assessment ~~S~~ ~~of age-appropriate cognitive or~~
 454a language skills ~~S~~ that:

455 (a) is ~~S~~ ~~a~~ ~~S~~ nationally ~~S~~ ~~norm-based measure of age-appropriate cognitive or~~
 455a language skills; ~~S~~ norm-referenced; ~~S~~

456 (b) has established reliability; ~~S~~ ~~and~~ ~~S~~

457 (c) has established validity with other similar measures and with later school
 457a outcomes ~~S~~ ~~;~~ ; and

457b (d) has strong psychometric characteristics. ~~S~~

458 (5) (a) At the end of each year of a results-based contract after a student funded through
459 a results-based contract completes kindergarten, the independent evaluator shall determine
460 whether the performance outcome measures set in the results-based contract have been met.
461 (b) If the independent evaluator determines under Subsection (5)(a) that the

462 performance outcome measures have been met, the board may pay the private entity according
463 to the terms of the results-based contract.

464 (6) (a) The board shall ensure that a parent or guardian of an eligible student
465 participating in a program funded pursuant to a results-based contract has given permission and
466 signed an acknowledgment that the student's data may be shared with an independent evaluator
467 for research and evaluation purposes.

468 (b) The board shall maintain documentation of parental permission required in
469 Subsection (6)(a).

470 Section 11. Section **53A-1b-111** is enacted to read:

471 **53A-1b-111. Reporting requirements for recipients of a results-based school**
472 **readiness contract -- Reporting requirements for the School Readiness Board.**

473 (1) An eligible LEA, eligible private provider, or eligible home-based educational
474 technology provider that receives funds pursuant to a results-based contract under this part
475 shall report annually to the board the following de-identified information for eligible students
476 funded in whole or in part pursuant to a results-based contract:

477 (a) number of eligible students served by the recipient's preschool or home-based
478 educational technology program, reported by economically disadvantaged status and English
479 language learner status;

480 (b) attendance;

481 (c) cost per eligible student;

482 (d) assessment results of the pre- and post-assessments selected by the board; and

483 (e) aggregated longitudinal data on eligible students currently receiving funding under
484 this part and any eligible students who previously received funding under this part, including:

485 (i) academic achievement outcomes;

486 (ii) special education use; and

487 (iii) English language learner services.

488 (2) For each year of a results-based contract, the board shall report to the Education
489 Interim Committee the following:

490 (a) information collected under Subsection (1) for each participating LEA, private
491 provider, and home-based educational technology provider; and

492 (b) the terms of the results-based contract, including:

- 493 (i) the name of each private entity and funding source;
 494 (ii) the amount of money each private entity has invested;
 495 (iii) the performance outcome measures set in the results-based contract by which
 496 repayment will be determined; and
 497 (iv) the repayment schedule to the private entity if the performance outcomes are met.

497a **H→ Section 12. Section 63J-1-602.3 is amended to read:**

497b **63J-1-602.3 List of nonlapsing funds and accounts -- Title 46 through Title 60.**

497c **(1) Funding for the Search and Rescue Financial Assistance Program, as provided in**
 497d **Section 53-2a-1101.**

497e **(2) Appropriations made to the Division of Emergency Management from the State**
 497f **Disaster Recovery Restricted Account, as provided in Section 53-2a-603.**

497g **(3) Appropriations made to the Department of Public Safety from the Department of**
 497h **Public Safety Restricted Account, as provided in Section 53-3-106.**

497i **(4) Appropriations to the Motorcycle Rider Education Program, as provided in Section**
 497j **53-3-905.**

497k **(5) Appropriations from the Utah Highway Patrol Aero Bureau Restricted Account**
 497l **created in Section 53-8-303.**

497m **(6) Appropriations from the DNA Specimen Restricted Account created in Section**
 497n **53-10-407.**

497o **(7) The Canine Body Armor Restricted Account created in Section 53-16-201.**

497p **(8) The School Readiness Restricted Account created in Section 53A-1b-104.**

497q **~~[(8)]~~ (9) Appropriations to the State Board of Education, as provided in Section**
 497r **53A-17a-105.**

497s **~~[(9)]~~ 10 Money received by the State Office of Rehabilitation for the sale of certain**
 497t **products or services, as provided in Section 53A-24-105.**

497u **~~[(10)]~~ 11 Certain funds appropriated from the General Fund to the State Board of**
 497v **Regents for teacher preparation programs, as provided in Section 53B-6-104.**

497w **~~[(11)]~~ 12 A certain portion of money collected for administrative costs under the**
 497x **School Institutional Trust Lands Management Act, as provided under Section 53C-3-202.**

497y **~~[(12)]~~ 13 Certain surcharges on residential and business telephone numbers imposed**
 497z **by the Public Service Commission, as provided in Section 54-8b-10.**

497aa **~~[(13)]~~ 14 Certain fines collected by the Division of Occupational and Professional**
 497ab **Licensing for violation of unlawful or unprofessional conduct that are used for education and**
 497ac **enforcement purposes, as provided in Section 58-17b-505.**

497ad **~~[(14)]~~ 15 Certain fines collected by the Division of Occupational and Professional**
 497ae **Licensing for use in education and enforcement of the Security Personnel Licensing Act,**
 497af **as provided in Section 58-63-103.**

497ag **[(45)] 16 Appropriations from the Relative Value Study Restricted Account created in**
 497ah **Section 59-9-105.**

497ai **[(46)] 17 The Cigarette Tax Restricted Account created in Section 59-14-204. ←Ĥ**
 498 **Section 12. Appropriation.**

499 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
 500 the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following sums of money
 501 are appropriated from resources not otherwise appropriated, or reduced from amounts
 502 previously appropriated, out of the funds or accounts indicated. These sums of money are in
 503 addition to any amounts previously appropriated for fiscal year 2015.

503a **Ĥ→ (1) Operating and Capital Budgets. Under the terms and conditions of Title 63J, the**
 503b **Legislature appropriates the following sums of money from the funds or fund accounts**
 503c **indicated for the use and support of the government of the State of Utah.**

503d To Governor's Office - Governor's Office of Management and Budget

503e From General Fund Restricted - School Readiness Restricted Account

503f **Ŝ→ [~~\$5,000,000~~] \$3,000,000 ←Ŝ**

503g Schedule of Programs:

503h Administration

Ŝ→ [~~\$100,000~~] \$200,000 ←Ŝ

503i School Readiness Initiative **Ŝ→ [~~\$4,900,000~~] Ŝ→ [~~\$4,800,000~~] \$2,800,000**

503i1 **←Ŝ ←Ŝ**

503j **(2) Restricted Fund and Account Transfers. The Legislature authorizes the State**
 503k **Division of Finance to transfer the following amounts among the following funds or accounts**
 503l **as indicated. Expenditures and outlays from the recipient funds must be authorized elsewhere**
 503m **in an appropriations act. ←Ĥ**

504 To General Fund Restricted - School Readiness **Ĥ→ [~~Special Revenue Fund~~] Restricted**
 504a **Account ←Ĥ**

505 From General Fund

Ŝ→ [~~\$5,000,000~~] \$3,000,000 ←Ŝ

506 Schedule of Programs:

507 General Fund Restricted - School Readiness

508 **Ĥ→ [~~Special Revenue Fund~~] Restricted Account ←Ĥ**

508a **Ŝ→ [~~\$5,000,000~~] \$3,000,000 ←Ŝ**

509 **Section 13. Effective date.**

510 (1) Except as provided in Subsection (2), this bill takes effect on May 13, 2014.

511 (2) Uncodified Section 12, Appropriation, takes effect on July 1, 2014.

Legislative Review Note
as of 1-30-14 5:56 AM

Office of Legislative Research and General Counsel