

1 **UTAH SCHOOL READINESS INITIATIVE**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Gregory H. Hughes**

5 Senate Sponsor: Stephen H. Urquhart

7 **LONG TITLE**

8 **General Description:**

9 This bill creates the School Readiness Board, which provides grants to certain early
10 childhood education programs, and may enter into certain contracts with private entities
11 to provide funding for early childhood education programs for at-risk students.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ creates the School Readiness Restricted Account;
- 15 ▶ creates the School Readiness Board (board) to negotiate contracts with private
16 entities to fund certain early childhood education programs and award grants to
17 certain early childhood education programs;
- 18 ▶ details components of a high quality school readiness program that may be funded
19 through a results-based contract between the board and private entities;
- 20 ▶ describes a home-based educational technology program that may be funded
21 through a results-based contract between the board and a private entity or entities;
- 22 ▶ requires the State Board of Education and the Department of Workforce Services to:
 - 23 • solicit proposals from qualifying early childhood education programs for quality
24 school readiness grants;
 - 25 • make recommendations to the board to award grants to qualifying early
26 childhood education programs;
 - 27 • monitor and evaluate the programs; and
 - 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 Workforce
31 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 Restricted Account, as an
44 ongoing appropriation:

- 45 • from the General Fund, \$3,000,000; and

- 46 ▶ to Governor's Office - Governor's Office of Management and Budget, as an ongoing
47 appropriation:

- 48 • from the School Readiness Restricted Account, \$3,000,000.

49 Other Special Clauses:

50 This bill provides an effective date.

51 Utah Code Sections Affected:

52 AMENDS:

53 **63J-1-602.3**, as last amended by Laws of Utah 2013, Chapters 117, 295 and last
54 amended by Coordination Clause, Laws of Utah 2013, Chapter 117

55 ENACTS:

56 **53A-1b-101**, Utah Code Annotated 1953

57 **53A-1b-102**, Utah Code Annotated 1953

- 58 [53A-1b-103](#), Utah Code Annotated 1953
- 59 [53A-1b-104](#), Utah Code Annotated 1953
- 60 [53A-1b-105](#), Utah Code Annotated 1953
- 61 [53A-1b-106](#), Utah Code Annotated 1953
- 62 [53A-1b-107](#), Utah Code Annotated 1953
- 63 [53A-1b-108](#), Utah Code Annotated 1953
- 64 [53A-1b-109](#), Utah Code Annotated 1953
- 65 [53A-1b-110](#), Utah Code Annotated 1953
- 66 [53A-1b-111](#), Utah Code Annotated 1953



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

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

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

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

72 **53A-1b-101. Title.**

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

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

75 **53A-1b-102. Definitions.**

76 As used in this part:

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

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

79 (a) is eligible to receive free lunch;

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

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

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

83 States Department of Agriculture;

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

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

86 (D) is enrolled at a school that does not offer a lunch program and is a sibling of a
87 student accounted for in Subsection (2)(a) or (b).

88 (3) "Eligible home-based educational technology provider" means a provider that
89 intends to offer a home-based educational technology program.

90 (4) "Eligible LEA" means an LEA that has a data system capacity to collect
91 longitudinal academic outcome data, including special education use by student, by identifying
92 each student with a statewide unique student identifier.

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

94 (i) (A) except as provided in Subsection (5)(b), is licensed under Title 26, Chapter 39,
95 Utah Child Care Licensing Act; or

96 (B) is exempt from licensure under Section [26-39-403](#); and

97 (ii) meets other criteria as established by the board, consistent with Utah Constitution,
98 Article X, Section 1.

99 (b) "Eligible private provider" does not include residential child care, as defined in
100 Section [26-39-102](#).

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

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

103 (8) "Performance outcome measure" means a cost avoidance in special education use
104 for a student at-risk for later special education placement in kindergarten through grade 12 who
105 receives preschool education funded pursuant to a results-based school readiness contract.

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

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

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

113 (11) "Student at-risk for later special education placement" means a preschool student

114 who, at preschool entry, scores at or below two standard deviations below the mean on the
115 assessment selected by the board under Section 53A-1b-110.

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

117 **53A-1b-103. Establishment of the School Readiness Board -- Membership.**

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

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

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

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

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

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

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

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

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

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

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

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

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

137 **53A-1b-104. School Readiness Restricted Account -- Creation -- Funding --**
138 **Distribution of funds.**

139 (1) There is created in the General Fund a restricted account known as the "School
140 Readiness Restricted Account" to fund:

141 (a) the High Quality School Readiness Grant Program described in Section

142 [53A-1b-106](#); and

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

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

145 (A) Section [53A-1b-107](#); or

146 (B) Section [53A-1b-108](#); or

147 (ii) an eligible home-based educational technology program described in Section

148 [53A-1b-109](#).

149 (2) The restricted account consists of:

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

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

153 (c) federal grants; and

154 (d) private donations.

155 (3) Subject to legislative appropriations, money in the restricted account may be used
156 for the following purposes:

157 (a) to award grants under the High Quality School Readiness Grant Program described
158 in Section [53A-1b-106](#);

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

160 (c) in accordance with Section [53A-1b-110](#), to make payments to one or more private
161 entities that the board has entered into a results-based contract with if the independent
162 evaluator selected by the board determines that the performance-based results have been met;

163 and

164 (d) for administration costs and to monitor the programs described in this part.

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

166 **53A-1b-105. Elements of a high quality school readiness program.**

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

169 (a) an evidence-based curriculum that is aligned with all of the developmental domains

- 170 and academic content areas defined in the Utah Early Childhood Standards adopted by the
171 State Board of Education, and incorporates intentional and differentiated instruction in whole
172 group, small group, and child-directed learning, including the following academic content
173 areas:
- 174 (i) oral language and listening comprehension;
 - 175 (ii) phonological awareness and prereading;
 - 176 (iii) alphabet and word knowledge;
 - 177 (iv) prewriting;
 - 178 (v) book knowledge and print awareness;
 - 179 (vi) numeracy;
 - 180 (vii) creative arts;
 - 181 (viii) science and technology; and
 - 182 (ix) social studies, health, and safety;
- 183 (b) ongoing, focused, and intensive professional development for staff of the school
184 readiness program;
- 185 (c) ongoing assessment of a student's educational growth and developmental progress
186 to inform instruction;
 - 187 (d) a pre- and post-assessment, selected by the board in accordance with Section
188 53A-1b-110, of each student;
 - 189 (e) for a preschool program run by an eligible LEA, a class size that does not exceed 20
190 students, with one adult for every 10 students in the class;
 - 191 (f) ongoing program evaluation and data collection to monitor program goal
192 achievement and implementation of required program components;
 - 193 (g) family engagement, including ongoing communication between home and school,
194 and parent education opportunities based on each family's circumstances;
 - 195 (h) for a preschool program run by an eligible LEA, each teacher having at least
196 obtained:
 - 197 (i) the minimum standard of a child development associate certification; or

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

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

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

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

203 (2) A high quality school readiness program run by a home-based educational
204 technology provider shall:

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

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

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

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

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

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

216 **53A-1b-106. High Quality School Readiness Grant Program.**

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

220 (a) an eligible private provider;

221 (b) an eligible LEA; or

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

223 (2) The State Board of Education shall:

224 (a) solicit proposals from eligible LEAs; and

225 (b) make recommendations to the board to award grants to respondents based on

226 criteria described in Subsection (5).

227 (3) The Department of Workforce Services shall:

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

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

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

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

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

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

237 (5) (a) In awarding a grant under Subsection (4), the State Board of Education,
238 Department of Workforce Services, and the board shall consider:

239 (i) a respondent's capacity to effectively implement the components described in
240 Section [53A-1b-105](#);

241 (ii) the percentage of a respondent's students who are economically disadvantaged; and

242 (iii) the level of administrative support and leadership at a respondent's program to
243 effectively implement, monitor, and evaluate the program.

244 (b) The board may not award a grant to an LEA without obtaining approval from the
245 State Board of Education to award the grant to the LEA.

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

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

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

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

254 (d) the estimated cost per student.

255 (7) To receive a grant under this section, a respondent that is an eligible private
256 provider or an eligible home-based educational technology provider shall submit a proposal to
257 the Department of Workforce Services detailing:

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

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

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

264 (d) the estimated cost per student.

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

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

269 (b) The independent evaluator shall:

270 (i) determine whether a grant recipient has effectively implemented the components
271 described in Section [53A-1b-105](#); and

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

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

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

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

281 (a) number of students served by the preschool, reported by economically

282 disadvantaged status;

283 (b) attendance;

284 (c) cost per student; and

285 (d) assessment results.

286 (12) A grant recipient that is an eligible private provider or an eligible home-based
287 educational technology provider shall report annually to the board and the Department of
288 Workforce Services the following:

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

291 (b) attendance;

292 (c) cost per student; and

293 (d) assessment results.

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

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

299 (b) establishing reporting requirements for grant recipients.

300 (14) At the request of the board, the State Board of Education and the Department of
301 Workforce Services shall annually share the information received from grant recipients
302 described in Subsections (11) and (12) with the board.

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

304 **53A-1b-107. High quality preschool programs for eligible LEAs.**

305 (1) To receive funding pursuant to a results-based contract awarded under Section
306 53A-1b-110, an eligible LEA shall establish or currently operate a high quality preschool with
307 the components described in Subsection 53A-1b-105(1).

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

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

313 (4) If permitted under Title 1 of the No Child Left Behind Act of 2001, 20 U.S.C. Sec.
314 6301-6578, an LEA may charge a sliding scale fee to a student participating in a high quality
315 preschool program under this section, based on household income.

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

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

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

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

326 (a) offer a preschool program that contains the components described in Subsection
327 [53A-1b-105\(1\)](#);

328 (b) allow classroom visits by the evaluator chosen in accordance with Section
329 [53A-1b-110](#) and the private entity, to ensure the components described in this section are
330 implemented;

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

333 (d) report the information described in Section [53A-1b-111](#) to the board and the
334 contracting LEA.

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

336 (a) professional development;

337 (b) staffing or staff support;

338 (c) materials; and

339 (d) assessments.

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

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

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

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

349 (a) the quality and outcomes of the high quality preschool program funded by a
350 results-based contract between a private entity and the board, including:

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

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

354 (b) whether the performance outcome measures set in the results-based contract have
355 been met, using de-identified data reported in Section 53A-1b-111.

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

357 **53A-1b-108. High quality preschool programs for eligible private providers.**

358 (1) To receive funding pursuant to a results-based contract awarded under Section
359 53A-1b-110, an eligible private provider shall:

360 (a) establish or currently operate a high quality preschool with the components
361 described in Subsection 53A-1b-105(1);

362 (b) allow classroom visits by the evaluator chosen in accordance with Section
363 53A-1b-110 and the private entity, to ensure the components described in Subsection
364 53A-1b-105(1) are being implemented; and

365 (c) allow the evaluator chosen in accordance with Section 53A-1b-110 to administer

366 the required pre- and post-assessments to eligible students funded under this part.

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

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

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

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

379 (5) An eligible private provider that receives funds under this section shall report
380 annually to the board the de-identified information described in Section [53A-1b-111](#).

381 (6) The State Board of Education shall annually share with the board aggregated
382 longitudinal data on eligible students currently receiving funding under this section and any
383 eligible students who previously received funding under this section, including:

384 (a) academic achievement outcomes;

385 (b) special education use; and

386 (c) English language learner services.

387 (7) The evaluator selected pursuant to Section [53A-1b-110](#) shall annually evaluate:

388 (a) the quality and outcomes of a high quality preschool program funded by a
389 results-based contract between a private entity and the board, including:

390 (i) adherence to required components described in Subsection [53A-1b-105\(1\)](#); and

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

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

394 been met, using de-identified or aggregated data reported in Subsections (5) and (6).

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

396 **53A-1b-109. Home-based educational technology for school readiness.**

397 (1) To receive funding pursuant to a results-based contract awarded under Section
398 53A-1b-110, an eligible home-based educational technology provider shall administer a
399 home-based educational technology program designed to prepare eligible students for
400 kindergarten.

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

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

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

410 (a) number of eligible students served by the home-based educational technology
411 program, reported by economically disadvantaged status and English language learner status;

412 (b) average time, and range of time usage, an eligible student spent using the program
413 per week;

414 (c) cost per eligible student;

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

416 (e) number of eligible students served by the home-based educational technology
417 program who participated in any other public or private preschool program, including the type
418 of preschool attended.

419 (5) The State Board of Education shall annually share with the board aggregated
420 longitudinal data on eligible students currently receiving funding under this section and any
421 eligible students who previously received funding under this section, including:

422 (a) academic achievement outcomes;

423 (b) special education use; and

424 (c) English language learner services.

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

426 (a) the quality and outcomes of a home-based educational technology program funded
427 by a results-based contract between a private entity and the board, including the pre- and
428 post-assessment results, on the assessment designated by the board under Section 53A-1b-110,
429 of eligible students in the program; and

430 (b) whether the performance outcome measures set in the results-based contract have
431 been met, using de-identified or aggregated data reported in Subsections (4) and (5).

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

433 **53A-1b-110. Results-based school readiness contracts -- Board duties --**

434 **Independent evaluator.**

435 (1) (a) The board may negotiate and enter into a results-based contract with a private
436 entity, selected through a competitive process, to fund:

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

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

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

440 (b) The board may not issue a results-based contract if the total outstanding obligations
441 of results-based contracts issued by the board under this part would exceed \$15,000,000 at any
442 one time.

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

446 (d) The additional return on investment described in Subsection (1)(c) may not exceed
447 5% above the current Municipal Market Data General Obligation Bond AAA scale for a 10
448 year maturity at the time of the issuance of the results-based school readiness contract.

449 (e) Funding obtained for an early education program under this part is not a

450 procurement item under Section 63G-6a-103.

451 (2) A contract shall include:

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

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

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

457 (i) based upon available money in the School Readiness Restricted Account; and

458 (ii) subject to legislative appropriation; and

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

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

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

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

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

467 (a) is nationally norm-referenced;

468 (b) has established reliability;

469 (c) has established validity with other similar measures and with later school outcomes;

470 and

471 (d) has strong psychometric characteristics.

472 (5) (a) At the end of each year of a results-based contract after a student funded through
473 a results-based contract completes kindergarten, the independent evaluator shall determine
474 whether the performance outcome measures set in the results-based contract have been met.

475 (b) If the independent evaluator determines under Subsection (5)(a) that the
476 performance outcome measures have been met, the board may pay the private entity according
477 to the terms of the results-based contract.

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

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

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

485 **53A-1b-111. Reporting requirements for recipients of a results-based school**
486 **readiness contract -- Reporting requirements for the School Readiness Board.**

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

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

494 (b) attendance;

495 (c) cost per eligible student;

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

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

499 (i) academic achievement outcomes;

500 (ii) special education use; and

501 (iii) English language learner services.

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

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

- 506 (b) the terms of the results-based contract, including:
 507 (i) the name of each private entity and funding source;
 508 (ii) the amount of money each private entity has invested;
 509 (iii) the performance outcome measures set in the results-based contract by which
 510 repayment will be determined; and
 511 (iv) the repayment schedule to the private entity if the performance outcomes are met.

512 Section 12. Section **63J-1-602.3** is amended to read:

513 **63J-1-602.3. List of nonlapsing funds and accounts -- Title 46 through Title 60.**

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

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

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

520 (4) Appropriations to the Motorcycle Rider Education Program, as provided in Section
 521 **53-3-905**.

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

524 (6) Appropriations from the DNA Specimen Restricted Account created in Section
 525 **53-10-407**.

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

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

528 [~~8~~] (9) Appropriations to the State Board of Education, as provided in Section
 529 **53A-17a-105**.

530 [~~9~~] (10) Money received by the State Office of Rehabilitation for the sale of certain
 531 products or services, as provided in Section **53A-24-105**.

532 [~~10~~] (11) Certain funds appropriated from the General Fund to the State Board of
 533 Regents for teacher preparation programs, as provided in Section **53B-6-104**.

534 ~~[(11)]~~ (12) A certain portion of money collected for administrative costs under the
535 School Institutional Trust Lands Management Act, as provided under Section 53C-3-202.

536 ~~[(12)]~~ (13) Certain surcharges on residential and business telephone numbers imposed
537 by the Public Service Commission, as provided in Section 54-8b-10.

538 ~~[(13)]~~ (14) Certain fines collected by the Division of Occupational and Professional
539 Licensing for violation of unlawful or unprofessional conduct that are used for education and
540 enforcement purposes, as provided in Section 58-17b-505.

541 ~~[(14)]~~ (15) Certain fines collected by the Division of Occupational and Professional
542 Licensing for use in education and enforcement of the Security Personnel Licensing Act, as
543 provided in Section 58-63-103.

544 ~~[(15)]~~ (16) Appropriations from the Relative Value Study Restricted Account created
545 in Section 59-9-105.

546 ~~[(16)]~~ (17) The Cigarette Tax Restricted Account created in Section 59-14-204.

547 Section 13. **Appropriation.**

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

553 (1) Operating and Capital Budgets. Under the terms and conditions of Title 63J, the
554 Legislature appropriates the following sums of money from the funds or fund accounts
555 indicated for the use and support of the government of the State of Utah.

556 To Governor's Office - Governor's Office of Management and Budget

557 From General Fund Restricted - School Readiness

558 Restricted Account \$3,000,000

559 Schedule of Programs:

560 Administration \$200,000

561 School Readiness Initiative \$2,800,000

562 (2) Restricted Fund and Account Transfers. The Legislature authorizes the State
563 Division of Finance to transfer the following amounts among the following funds or accounts
564 as indicated. Expenditures and outlays from the recipient funds must be authorized elsewhere
565 in an appropriations act.

566	<u>To General Fund Restricted - School Readiness Restricted Account</u>	
567	<u>From General Fund</u>	<u>\$3,000,000</u>
568	<u>Schedule of Programs:</u>	
569	<u>General Fund Restricted - School Readiness</u>	
570	<u>Restricted Account</u>	<u>\$3,000,000</u>

571 Section 14. **Effective date.**

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

573 (2) Uncodified Section 13, Appropriation, takes effect on July 1, 2014.