

Lincoln Fillmore proposes the following substitute bill:

Excellence in Education and Leadership Supplement Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: Karen M. Peterson

LONG TITLE

General Description:

This bill amends existing timeline and appropriation requirements to the Excellence in Education and Leadership Supplement.

Highlighted Provisions:

This bill:

- amends existing timeline and appropriation requirements to the Excellence in Education and Leadership Supplement;
- requires the State Board of Education to obtain and house a web-based application portal; and
- makes technical changes.

Money Appropriated in this Bill:

This bill appropriates \$600,000 in operating and capital budgets for fiscal year 2026, all of which is from the various sources as detailed in this bill.

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

53F-2-526 (Effective 05/07/25), as enacted by Laws of Utah 2024, Chapter 374

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

Section 1. Section **53F-2-526** is amended to read:

53F-2-526 (Effective 05/07/25). Excellence in Education and Leadership

Supplement.

(1) As used in this section:

~~(2)~~ (a) "Center" means the Center for the School of the Future at Utah State University established in Section 53B-18-801.

- 30 ~~{(a)}~~ (b) "Eligible teacher" means a teacher who is a top-performing teacher that the
31 center determines using an LEA's assessment methods, including:
- 32 ~~{(b)}~~ (i) student growth or achievement measures;
- 33 ~~{(c)}~~ (ii) professional evaluations;
- 34 ~~{(3)}~~ (iii) parent surveys; and
- 35 (iv) other data-driven criteria the LEA establishes and the center verifies for validity.
- 36 (c) "Eligible teacher" includes an individual whom an LEA participating in the program
37 employs and who holds:
- 38 (i) a license the state board issues; and
- 39 (ii) a position that includes a current classroom teaching assignment.
- 40 (d) "High poverty school" means the same as the term is defined in Section 53F-2-513.
- 41 (e) "LEA" means:
- 42 (i) a school district;
- 43 (ii) a charter school;
- 44 (iii) the Utah Schools for the Deaf and Blind; and
- 45 ~~{(iii)}~~ (iv) a regional education service agency.
- 46 (f) "Program" means the Excellence in Education and Leadership Supplement created in
47 Subsection (2).
- 48 (g) "Tier performance level" means the following levels of performance for a teacher in
49 comparison to all teachers the center determines in accordance with Subsection (7):
- 50 (i) the top 5% of teachers;
- 51 (ii) the next 6%-10% of teachers; and
- 52 (iii) the next 11%-25% of teachers.
- 53 (h) "Top-performing" means the top 25% of teachers in comparison to all teachers the
54 center determines using the methods described in Subsection (1)(b).
- 55 (2) Beginning July 1, 2024, there is created a five-year pilot program known as the
56 Excellence in Education and Leadership Supplement to provide a ~~[salary supplement]~~
57 performance-based award to an eligible teacher in recognition for outstanding
58 instructional talent.
- 59 (3)(a) No later than December 31, 2024, an LEA shall declare the LEA's intent to
60 participate in the program to the center.
- 61 (b) If an LEA declares an intent to participate in the program, the LEA shall:
- 62 (i) develop a process for a school principal or the principal's designee to assess a
63 teacher's performance consistent with this section to determine if a teacher is an

- 64 eligible teacher, including the corresponding tier performance level; and
- 65 (ii) create an appeals process for an employee who is not nominated to be an eligible
- 66 teacher.
- 67 (4) No later than April [4] 15, 2025, an LEA shall:
- 68 (a) attend a training that the center creates regarding the guidelines for developing a
- 69 process described in Subsection (3); and
- 70 (b) develop and submit for approval the LEA's process described in Subsection (3) to the
- 71 center.
- 72 (5)(a) The center shall review the LEA's process described in Subsection (3) and
- 73 approve the process or request that the LEA make changes to the submitted process.
- 74 (b) If the center requests changes to the LEA's submitted process, the LEA shall work
- 75 with the center to make necessary changes to receive final approval from the center.
- 76 (c) No later than June 30, 2025, the center shall provide final approval or denial of an
- 77 LEA's process.
- 78 (6) Before the start of the 2025-2026 school year, an LEA with an approved process as
- 79 described in Subsection (5) shall:
- 80 (a) ensure each school principal or the principal's designee attends a training that the
- 81 center creates regarding:
- 82 (i) how to effectively use the LEA's approved process to select and submit to the
- 83 center nominations for eligible teachers, including the corresponding tier
- 84 performance level; and
- 85 (ii) how to protect student and educator data privacy when submitting nominations
- 86 and applications, as described in Subsection (9)(b)(ii).
- 87 (b) provide information to teachers within the LEA regarding the program and how the
- 88 school's principal or principal's designee will use the approved LEA process to make
- 89 nominations of eligible teachers; and
- 90 (c) ensure each school principal or the principal's designee [uses] is able to use the LEA's
- 91 approved process to evaluate and select which teachers within the school to nominate
- 92 as eligible teachers, including the corresponding tier performance level[; ~~and~~] .
- 93 [~~(d) as provided in Subsection (9), submit to the center a list of the nominated eligible~~
- 94 ~~teachers for the center to consider.~~]
- 95 (7) In assessing if a nominated teacher is an eligible teacher, the center shall create an
- 96 assessment process that:
- 97 (a) uses the methods described in Subsection (1)(b);

- 98 (b) calibrates the submissions an LEA submits to determine, for all nominated teachers
99 statewide, which teachers are eligible teachers, including the corresponding tier
100 performance level;
- 101 (c) may use additional criteria as determined by the center in consultation with
102 participating LEAs; and
- 103 (d) establishes a scoring rubric including the scores required for a designation in each
104 tier performance level.
- 105 (8)(a) The center shall collaborate with LEAs to create:
- 106 (i) selection and submission guidelines for:
- 107 (A) the approval of the LEA's process as described in Subsection (5); and
108 (B) the list of nominated eligible teachers described in Subsection (6);
- 109 (ii) methods to determine student growth and achievement measures for subject areas
110 that do not have standardized assessment data;
- 111 (iii) the weightings for each element of the assessment process described in
112 Subsection (7); and
- 113 (iv) the trainings described in this section.
- 114 (b) The center may provide program related technical assistance to an LEA.
- 115 (9)(a) An LEA shall:
- 116 (i) apply to the center on behalf of the nominated eligible teachers within the LEA
117 through a process and format that the center determines; and
- 118 (ii) ensure a school principal or the principal's designee reevaluates an eligible
119 teacher's designation under this section every three years.
- 120 (b) The center shall:
- 121 (i) create an application process for an LEA to submit the list of nominated eligible
122 teachers described in Subsection (9)(a), including a deadline for submission of the
123 list of nominated teachers to the center;
- 124 (ii) coordinate with the state board in the creation of the application process described
125 in Subsection (9)(b)(i) to ensure that any sharing of student and educator data
126 during the application process:
- 127 (A) complies with the Family Educational Rights and Privacy Act, 34 C.F.R. Part
128 99;
- 129 (B) complies with Title 53E, Chapter 9, Student Privacy and Data Protection; and
130 (C) uses disclosure avoidance techniques, including aggregating and otherwise
131 de-identifying data;

- 132 (iii) no later than October 1, 2026, determine if a nominated teacher is an eligible
 133 teacher through the process described in Subsection (7);
- 134 (iv) verify:
- 135 (A) the validity of the LEA's process and assessment of an eligible teacher as
 136 described in Subsections (4) and (5); and
- 137 (B) the nominations described in Subsection (7) with the LEA and school
 138 administrators;
- 139 (v) certify a list of eligible teachers, including the total amount of funding the LEA
 140 receives for the LEA's eligible teachers; and
- 141 (vi) provide the list described in Subsection [~~(9)(b)(iv)~~] (9)(b)(v) to the state board.
- 142 (10)(a) Subject to legislative appropriations, the state board shall:
- 143 (i) within 45 days of receiving the list described in Subsection (9)(b)(v) from the
 144 center, disburse funding to an LEA in the amount the center verifies that an LEA
 145 qualifies to receive for [salary supplement] performance-based awards under this
 146 section;[-and]
- 147 (ii)[~~(A) except as provided in Subsection (10)(a)(ii)(B),]allocate 1% of the funds~~
 148 ~~appropriated under this section to the center; and~~
 149 [~~(B) provide no more than \$500,000 to the center each fiscal year from the funds~~
 150 ~~described in Subsection (10)(a)(ii)(A).]~~
- 151 (iii) develop a method to compensate an LEA for program administration that:
- 152 (A) does not exceed 4% of the total funds appropriated under this section;
- 153 (B) first compensates an LEA for fixed efforts associated with development and
 154 management of the LEA's teacher performance-based award program; and
- 155 (C) allocates any remaining balance to compensate an LEA for variable efforts
 156 associated with ongoing program administration and management.
- 157 (b) The annual [salary supplement] performance-based award for an eligible teacher is:
- 158 (i) \$10,000 for a teacher in the top 5% of teachers;
- 159 (ii) \$5,000 for a teacher in the next 6%-10% of teachers; and
- 160 (iii) \$2,000 for a teacher in the next 11%-25% of teachers.
- 161 (c) If the eligible teacher is employed at a high poverty school, the eligible teacher shall
 162 receive an additional [salary supplement] performance-based award that is equal in
 163 amount to the eligible teacher's [salary supplement] performance-based award
 164 described in Subsection (10)(b).
- 165 (11)(a) An LEA shall:

- 166 (i) within 45 days of receiving the LEA's funds from the state board for all eligible
 167 teachers, use the program funds to provide a [salary supplement]
 168 performance-based award equal to the amount specified in Subsection (10) for
 169 each eligible teacher in each tier performance level; and
- 170 (ii) provide the [salary supplement] performance-based award in an eligible teacher's
 171 regularly occurring compensation in equal amounts through the contracted school
 172 years related to the [salary supplement] performance-based award.
- 173 (b) An LEA:
- 174 [~~(i) may use up to 4% of the money appropriated to the LEA for salary supplements~~
 175 ~~to cover administrative costs associated with implementing the program;~~]
 176 [~~(ii) (i) may use money appropriated to the LEA for the [salary supplement]~~
 177 ~~performance-based award for employer-paid benefits;[-and]~~
 178 [~~(iii) (ii) may not include a [salary supplement] performance-based award received~~
 179 ~~under this section:~~
 180 (A) in a retirement calculation; or
 181 (B) as part of retirement contributions[-] ; and
 182 (iii) may not reduce an eligible teacher's award to ensure the LEA maintains the
 183 funds described in Subsection (10)(a)(iii).
- 184 (c) The [salary supplement] performance-based award is not part of an eligible teacher's
 185 base pay, and is subject to the eligible teacher's designation as an eligible teacher.
- 186 (12) [~~Notwithstanding the provisions of this section] Except as provided for in Subsection~~
 187 (11), if the appropriation for the program is insufficient to cover the costs associated
 188 with [salary supplement] performance-based awards, an LEA may distribute the funds to
 189 each eligible teacher of the same tier of performance level on a pro rata basis.
- 190 (13)(a) [~~The center and the state board shall collaborate regarding data sharing and other~~
 191 ~~relevant interactions to facilitate the successful administration of the program.] To
 192 optimize the center's successful implementation of the program, including
 193 achievement of the program's intended outcomes, the center and the state board shall
 194 collaborate regarding all:~~
- 195 (i) student achievement data;
 196 (ii) teacher data; and
 197 (iii) any other relevant data as the center and the state board determines.
- 198 (b) The state board shall:
- 199 (i) consult with the center; and

- 200 (ii) contract with a third party to obtain and house a web-based access portal for
201 transparency to:
- 202 (A) allow a teacher to track the teacher's student's academic achievement and
203 growth and assess within the teacher's LEA the teacher's individual progress
204 toward becoming an eligible teacher nominee;
- 205 (B) report results of the chosen model or models at the district, school, and subject
206 or grade levels;
- 207 (C) provide diagnostic data showing the growth and achievement trends for
208 different groups of students associated with a teacher, school, charter system,
209 or district; and
- 210 (D) provide resources for teachers to interpret the model results, training modules,
211 and receive or request technical support.
- 212 (c) The state board shall use up to 11% of the total funds appropriated under this section
213 for the web-based access portal described in Subsection (13)(b).
- 214 (14)(a) An eligible teacher that receives a [~~salary supplement~~] performance-based award
215 under the program has no vested property right in the [~~salary supplement~~]
216 performance-based award or the designation as an eligible teacher.
- 217 (b) An eligible teacher's [~~salary supplement~~] performance-based award and designation
218 under this section are void if the school principal or principal's designee, LEA, or the
219 center made or certified the designation improperly.
- 220 (15)(a) Subject to prioritization of the Audit Subcommittee, unless the state board
221 contracts a private auditor in accordance with Subsection (15)(b), the Office of the
222 Legislative Auditor General established under Section 36-12-15 shall, in any fiscal
223 year:
- 224 (i) conduct an audit of the program including:
- 225 (A) an evaluation of the implementation of the program; and
- 226 (B) the efficacy of the program, including program outcomes; and
- 227 (ii) prepare and submit a written report for an audit described in this section in
228 accordance with Subsection 36-12-15(4)(b)(ii).
- 229 (b) Subject to legislative appropriations, the state board may contract with an external
230 auditor to perform the audit described in this Subsection (15).
- 231 (16)(a) The center shall report to the Education Interim Committee no later than the
232 2024 October meeting the following:
- 233 (i) the methodology and process the center develops to achieve the requirements of

- 234 Subsection (7);
- 235 (ii) relevant data and updates resulting from the collaborations described in
- 236 Subsection (8);
- 237 (iii) any recommendations for future legislation; and
- 238 (iv) data regarding ~~[salary supplement]~~ performance-based award programs, including:
- 239 (A) different approaches used to reward teacher performance, including different
- 240 evaluation methods;
- 241 (B) research outlining the effectiveness and impact of different ~~[salary supplement]~~
- 242 performance-based award amounts on teacher retention; and
- 243 (C) other considerations for impactful ~~[salary supplement]~~ performance-based
- 244 award programs in relation to teacher retention.
- 245 (b) Beginning November 1, 2026, the center shall provide an annual report to the
- 246 Education Interim Committee regarding:
- 247 (i) the statewide metrics used in accordance with Subsection (7);
- 248 (ii) de-identified and aggregated data showing the number of:
- 249 (A) ~~[salary supplement]~~ performance-based awards per school, including total
- 250 number of eligible teachers in each school;
- 251 (B) eligible teachers in high poverty schools;
- 252 (C) eligible teachers in each tier performance level;
- 253 (D) eligible teachers in subject areas that do not have standardized assessments;
- 254 and
- 255 (E) ~~[salary supplement]~~ performance-based award denials per school, including the
- 256 reasons for a denial;
- 257 (iii) proportion of eligible teachers in:
- 258 (A) school districts; and
- 259 (B) charter schools; and
- 260 (iv) teacher retention data for a school where an eligible teacher is employed.

261 **Section 2. FY 2026 Appropriations.**

262 The following sums of money are appropriated for the fiscal year beginning July 1,

263 2025, and ending June 30, 2026. These are additions to amounts previously appropriated for

264 fiscal year 2026.

265 Subsection 2(a). **Operating and Capital Budgets**

266 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the

267 Legislature appropriates the following sums of money from the funds or accounts indicated for

268 the use and support of the government of the state of Utah.

269 ITEM 1 To State Board of Education - Minimum School Program - Related to Basic

270 School Programs

271 From Public Education Economic Stabilization

272 Restricted Account, One-time 600,000

273 Schedule of Programs:

274 Effective Teachers in High Poverty Schools

275 Incentive Program 600,000

276 Section 3. **Effective Date.**

277 (1) This bill takes effect except as provided in Subsections (2)-(3), May 7, 2025; or

278 (2) if approved by two-thirds of all members elected to each house:

279 (a) upon approval by the governor;

280 (b) without the governor's signature, the day following the constitutional time limit of

281 Utah Constitution, Article VII, Section 8; or

282 (c) in the case of a veto, the date of veto override.

283 (3) The actions affecting Section 53F-2-526 take effect on May 7, 2025.