

**Senator Lyle W. Hillyard** proposes the following substitute bill:

**INCENTIVE FOR EFFECTIVE TEACHERS IN**

**HIGH POVERTY SCHOOLS**

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Mike Winder**

Senate Sponsor: Lyle W. Hillyard

7	Cosponsors:	Steve Eliason	Val K. Potter
8	Stewart E. Barlow	Stephen G. Handy	Susan Pulsipher
9	Walt Brooks	Eric K. Hutchings	V. Lowry Snow
10	LaVar Christensen	Ken Ivory	Raymond P. Ward
11	Brad M. Daw	John Knotwell	Christine F. Watkins
12	James A. Dunnigan	Michael E. Noel	Brad R. Wilson
13	Rebecca P. Edwards	Jeremy A. Peterson	

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**LONG TITLE**

**General Description:**

This bill creates the Effective Teachers in High Poverty Schools Incentive Program.

**Highlighted Provisions:**

This bill:

- ▶ creates the Effective Teachers in High Poverty Schools Incentive Program (program);
- ▶ defines terms;
- ▶ authorizes the State Board of Education to award a salary bonus to an eligible teacher;



- 25           ▶ excludes a teacher salary bonus from compensation for purposes of a state
- 26 retirement program;
- 27           ▶ requires the State Board of Education to evaluate the effectiveness of the program
- 28 and submit a report to the Education Interim Committee; and
- 29           ▶ makes technical corrections.

30 **Money Appropriated in this Bill:**

- 31           This bill appropriates for fiscal year 2018:
- 32           ▶ to the State Board of Education -- Minimum School Program -- Related to Basic
  - 33 School Program, as an ongoing appropriation:
  - 34           • from the Education Fund, \$250,000.

35 **Other Special Clauses:**

36           This bill provides a coordination clause.

37 **Utah Code Sections Affected:**

38 AMENDS:

- 39           **49-12-102**, as last amended by Laws of Utah 2016, Chapters 227 and 304
- 40           **49-13-102**, as last amended by Laws of Utah 2016, Chapters 227 and 304
- 41           **49-22-102**, as last amended by Laws of Utah 2016, Chapters 227 and 304

42 ENACTS:

- 43           **53A-17a-173**, Utah Code Annotated 1953

44 **Utah Code Sections Affected by Coordination Clause:**

- 45           **53A-17a-173**, Utah Code Annotated 1953



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

48           Section 1. Section **49-12-102** is amended to read:

49           **49-12-102. Definitions.**

50           As used in this chapter:

- 51           (1) "Benefits normally provided":
- 52           (a) means a benefit offered by an employer, including:
- 53           (i) a leave benefit of any kind;
- 54           (ii) insurance coverage of any kind if the employer pays some or all of the premium for
- 55 the coverage;

56 (iii) employer contributions to a health savings account, health reimbursement account,  
57 health reimbursement arrangement, or medical expense reimbursement plan; and

58 (iv) a retirement benefit of any kind if the employer pays some or all of the cost of the  
59 benefit; and

60 (b) does not include:

61 (i) a payment for social security;

62 (ii) workers' compensation insurance;

63 (iii) unemployment insurance;

64 (iv) a payment for Medicare;

65 (v) a payment or insurance required by federal or state law that is similar to a payment  
66 or insurance listed in Subsection (1)(b)(i), (ii), (iii), or (iv);

67 (vi) any other benefit that state or federal law requires an employer to provide an  
68 employee who would not otherwise be eligible to receive the benefit; or

69 (vii) any benefit that an employer provides an employee in order to avoid a penalty or  
70 tax under the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 and the Health  
71 Care Education Reconciliation Act of 2010, Pub. L. No. 111-152, and related federal  
72 regulations, including a penalty imposed by Internal Revenue Code, Section 4980H.

73 (2) (a) "Compensation" means, except as provided in Subsection (2)(c), the total  
74 amount of payments made by a participating employer to a member of this system for services  
75 rendered to the participating employer, including:

76 (i) bonuses;

77 (ii) cost-of-living adjustments;

78 (iii) other payments currently includable in gross income and that are subject to social  
79 security deductions, including any payments in excess of the maximum amount subject to  
80 deduction under social security law;

81 (iv) amounts that the member authorizes to be deducted or reduced for salary deferral  
82 or other benefits authorized by federal law; and

83 (v) member contributions.

84 (b) "Compensation" for purposes of this chapter may not exceed the amount allowed  
85 under Internal Revenue Code, Section 401(a)(17).

86 (c) "Compensation" does not include:

- 87 (i) the monetary value of remuneration paid in kind, including a residence or use of  
88 equipment;
- 89 (ii) the cost of any employment benefits paid for by the participating employer;
- 90 (iii) compensation paid to a temporary employee, an exempt employee, or an employee  
91 otherwise ineligible for service credit;
- 92 (iv) any payments upon termination, including accumulated vacation, sick leave  
93 payments, severance payments, compensatory time payments, or any other special payments;  
94 [~~or~~]
- 95 (v) any allowances or payments to a member for costs or expenses paid by the  
96 participating employer, including automobile costs, uniform costs, travel costs, tuition costs,  
97 housing costs, insurance costs, equipment costs, and dependent care costs[-]; or
- 98 (vi) a teacher salary bonus described in Section [53A-17a-172](#).
- 99 (d) The executive director may determine if a payment not listed under this Subsection  
100 (2) falls within the definition of compensation.
- 101 (3) "Final average salary" means the amount calculated by averaging the highest five  
102 years of annual compensation preceding retirement subject to Subsections (3)(a), (b), (c), (d),  
103 and (e).
- 104 (a) Except as provided in Subsection (3)(b), the percentage increase in annual  
105 compensation in any one of the years used may not exceed the previous year's compensation by  
106 more than 10% plus a cost-of-living adjustment equal to the decrease in the purchasing power  
107 of the dollar during the previous year, as measured by a United States Bureau of Labor  
108 Statistics Consumer Price Index average as determined by the board.
- 109 (b) In cases where the participating employer provides acceptable documentation to the  
110 office, the limitation in Subsection (3)(a) may be exceeded if:
- 111 (i) the member has transferred from another agency; or  
112 (ii) the member has been promoted to a new position.
- 113 (c) If the member retires more than six months from the date of termination of  
114 employment, the member is considered to have been in service at the member's last rate of pay  
115 from the date of the termination of employment to the effective date of retirement for purposes  
116 of computing the member's final average salary only.
- 117 (d) If the member has less than five years of service credit in this system, final average

118 salary means the average annual compensation paid to the member during the full period of  
119 service credit.

120 (e) The annual compensation used to calculate final average salary shall be based on:

121 (i) a calendar year for a member employed by a participating employer that is not an  
122 educational institution; or

123 (ii) a contract year for a member employed by an educational institution.

124 (4) "Participating employer" means an employer which meets the participation  
125 requirements of Sections [49-12-201](#) and [49-12-202](#).

126 (5) (a) "Regular full-time employee" means an employee whose term of employment  
127 for a participating employer contemplates continued employment during a fiscal or calendar  
128 year and whose employment normally requires an average of 20 hours or more per week,  
129 except as modified by the board, and who receives benefits normally provided by the  
130 participating employer.

131 (b) "Regular full-time employee" includes:

132 (i) a teacher whose term of employment for a participating employer contemplates  
133 continued employment during a school year and who teaches half-time or more;

134 (ii) a classified school employee:

135 (A) who is hired before July 1, 2013; and

136 (B) whose employment normally requires an average of 20 hours per week or more for  
137 a participating employer, regardless of benefits provided;

138 (iii) an officer, elective or appointive, who earns \$500 or more per month, indexed as  
139 of January 1, 1990, as provided in Section [49-12-407](#);

140 (iv) a faculty member or employee of an institution of higher education who is  
141 considered full-time by that institution of higher education; and

142 (v) an individual who otherwise meets the definition of this Subsection (5) who  
143 performs services for a participating employer through a professional employer organization or  
144 similar arrangement.

145 (c) "Regular full-time employee" does not include a classified school employee:

146 (i) (A) who is hired on or after July 1, 2013; and

147 (B) who does not receive benefits normally provided by the participating employer  
148 even if the employment normally requires an average of 20 hours per week or more for a

149 participating employer;

150 (ii) (A) who is hired before July 1, 2013;

151 (B) who did not qualify as a regular full-time employee before July 1, 2013;

152 (C) who does not receive benefits normally provided by the participating employer;

153 and

154 (D) whose employment hours are increased on or after July 1, 2013, to require an  
155 average of 20 hours per week or more for a participating employer; or

156 (iii) who is a person working on a contract:

157 (A) for the purposes of vocational rehabilitation and the employment and training of  
158 people with significant disabilities; and

159 (B) that has been set aside from procurement requirements by the state pursuant to  
160 Section 63G-6a-805 or the federal government pursuant to 41 U.S.C. Sec. 8501 et seq.

161 (6) "System" means the Public Employees' Contributory Retirement System created  
162 under this chapter.

163 (7) "Years of service credit" means:

164 (a) a period consisting of 12 full months as determined by the board;

165 (b) a period determined by the board, whether consecutive or not, during which a  
166 regular full-time employee performed services for a participating employer, including any time  
167 the regular full-time employee was absent on a paid leave of absence granted by a participating  
168 employer or was absent in the service of the United States government on military duty as  
169 provided by this chapter; or

170 (c) the regular school year consisting of not less than eight months of full-time service  
171 for a regular full-time employee of an educational institution.

172 Section 2. Section 49-13-102 is amended to read:

173 **49-13-102. Definitions.**

174 As used in this chapter:

175 (1) "Benefits normally provided" has the same meaning as defined in Section  
176 49-12-102.

177 (2) (a) Except as provided in Subsection (2)(c), "compensation" means the total  
178 amount of payments made by a participating employer to a member of this system for services  
179 rendered to the participating employer, including:

- 180 (i) bonuses;
- 181 (ii) cost-of-living adjustments;
- 182 (iii) other payments currently includable in gross income and that are subject to social  
183 security deductions, including any payments in excess of the maximum amount subject to  
184 deduction under social security law; and
- 185 (iv) amounts that the member authorizes to be deducted or reduced for salary deferral  
186 or other benefits authorized by federal law.
- 187 (b) "Compensation" for purposes of this chapter may not exceed the amount allowed  
188 under Internal Revenue Code, Section 401(a)(17).
- 189 (c) "Compensation" does not include:
- 190 (i) the monetary value of remuneration paid in kind, including a residence or use of  
191 equipment;
- 192 (ii) the cost of any employment benefits paid for by the participating employer;
- 193 (iii) compensation paid to a temporary employee, an exempt employee, or an employee  
194 otherwise ineligible for service credit;
- 195 (iv) any payments upon termination, including accumulated vacation, sick leave  
196 payments, severance payments, compensatory time payments, or any other special payments;  
197 [~~or~~]
- 198 (v) any allowances or payments to a member for costs or expenses paid by the  
199 participating employer, including automobile costs, uniform costs, travel costs, tuition costs,  
200 housing costs, insurance costs, equipment costs, and dependent care costs[-]; or
- 201 (vi) a teacher salary bonus described in Section [53A-17a-172](#).
- 202 (d) The executive director may determine if a payment not listed under this Subsection  
203 (2) falls within the definition of compensation.
- 204 (3) "Final average salary" means the amount calculated by averaging the highest three  
205 years of annual compensation preceding retirement subject to Subsections (3)(a), (b), (c), and  
206 (d).
- 207 (a) Except as provided in Subsection (3)(b), the percentage increase in annual  
208 compensation in any one of the years used may not exceed the previous year's compensation by  
209 more than 10% plus a cost-of-living adjustment equal to the decrease in the purchasing power  
210 of the dollar during the previous year, as measured by a United States Bureau of Labor

211 Statistics Consumer Price Index average as determined by the board.

212 (b) In cases where the participating employer provides acceptable documentation to the  
213 office, the limitation in Subsection (3)(a) may be exceeded if:

214 (i) the member has transferred from another agency; or

215 (ii) the member has been promoted to a new position.

216 (c) If the member retires more than six months from the date of termination of  
217 employment and for purposes of computing the member's final average salary only, the  
218 member is considered to have been in service at the member's last rate of pay from the date of  
219 the termination of employment to the effective date of retirement.

220 (d) The annual compensation used to calculate final average salary shall be based on:

221 (i) a calendar year for a member employed by a participating employer that is not an  
222 educational institution; or

223 (ii) a contract year for a member employed by an educational institution.

224 (4) "Participating employer" means an employer which meets the participation  
225 requirements of Sections [49-13-201](#) and [49-13-202](#).

226 (5) (a) "Regular full-time employee" means an employee whose term of employment  
227 for a participating employer contemplates continued employment during a fiscal or calendar  
228 year and whose employment normally requires an average of 20 hours or more per week,  
229 except as modified by the board, and who receives benefits normally provided by the  
230 participating employer.

231 (b) "Regular full-time employee" includes:

232 (i) a teacher whose term of employment for a participating employer contemplates  
233 continued employment during a school year and who teaches half time or more;

234 (ii) a classified school employee:

235 (A) who is hired before July 1, 2013; and

236 (B) whose employment normally requires an average of 20 hours per week or more for  
237 a participating employer, regardless of benefits provided;

238 (iii) an officer, elective or appointive, who earns \$500 or more per month, indexed as  
239 of January 1, 1990, as provided in Section [49-13-407](#);

240 (iv) a faculty member or employee of an institution of higher education who is  
241 considered full time by that institution of higher education; and



242 (v) an individual who otherwise meets the definition of this Subsection (5) who  
243 performs services for a participating employer through a professional employer organization or  
244 similar arrangement.

245 (c) "Regular full-time employee" does not include a classified school employee:

246 (i) (A) who is hired on or after July 1, 2013; and

247 (B) who does not receive benefits normally provided by the participating employer  
248 even if the employment normally requires an average of 20 hours per week or more for a  
249 participating employer;

250 (ii) (A) who is hired before July 1, 2013;

251 (B) who did not qualify as a regular full-time employee before July 1, 2013;

252 (C) who does not receive benefits normally provided by the participating employer;

253 and

254 (D) whose employment hours are increased on or after July 1, 2013, to require an  
255 average of 20 hours per week or more for a participating employer; or

256 (iii) who is a person working on a contract:

257 (A) for the purposes of vocational rehabilitation and the employment and training of  
258 people with significant disabilities; and

259 (B) that has been set aside from procurement requirements by the state pursuant to  
260 Section [63G-6a-805](#) or the federal government pursuant to 41 U.S.C. Sec. 8501 et seq.

261 (6) "System" means the Public Employees' Noncontributory Retirement System.

262 (7) "Years of service credit" means:

263 (a) a period consisting of 12 full months as determined by the board;

264 (b) a period determined by the board, whether consecutive or not, during which a  
265 regular full-time employee performed services for a participating employer, including any time  
266 the regular full-time employee was absent on a paid leave of absence granted by a participating  
267 employer or was absent in the service of the United States government on military duty as  
268 provided by this chapter; or

269 (c) the regular school year consisting of not less than eight months of full-time service  
270 for a regular full-time employee of an educational institution.

271 Section 3. Section **49-22-102** is amended to read:

272 **49-22-102. Definitions.**

273 As used in this chapter:

274 (1) "Benefits normally provided" has the same meaning as defined in Section  
275 [49-12-102](#).

276 (2) (a) "Compensation" means, except as provided in Subsection (2)(c), the total  
277 amount of payments made by a participating employer to a member of this system for services  
278 rendered to the participating employer, including:

279 (i) bonuses;

280 (ii) cost-of-living adjustments;

281 (iii) other payments currently includable in gross income and that are subject to social  
282 security deductions, including any payments in excess of the maximum amount subject to  
283 deduction under social security law;

284 (iv) amounts that the member authorizes to be deducted or reduced for salary deferral  
285 or other benefits authorized by federal law; and

286 (v) member contributions.

287 (b) "Compensation" for purposes of this chapter may not exceed the amount allowed  
288 under Internal Revenue Code, Section 401(a)(17).

289 (c) "Compensation" does not include:

290 (i) the monetary value of remuneration paid in kind, including a residence or use of  
291 equipment;

292 (ii) the cost of any employment benefits paid for by the participating employer;

293 (iii) compensation paid to a temporary employee or an employee otherwise ineligible  
294 for service credit;

295 (iv) any payments upon termination, including accumulated vacation, sick leave  
296 payments, severance payments, compensatory time payments, or any other special payments;

297 [or]

298 (v) any allowances or payments to a member for costs or expenses paid by the  
299 participating employer, including automobile costs, uniform costs, travel costs, tuition costs,  
300 housing costs, insurance costs, equipment costs, and dependent care costs[-]; or

301 (vi) a teacher salary bonus described in Section [53A-17a-172](#).

302 (d) The executive director may determine if a payment not listed under this Subsection  
303 (2) falls within the definition of compensation.

304 (3) "Corresponding Tier I system" means the system or plan that would have covered  
305 the member if the member had initially entered employment before July 1, 2011.

306 (4) "Final average salary" means the amount calculated by averaging the highest five  
307 years of annual compensation preceding retirement subject to Subsections (4)(a), (b), (c), (d),  
308 and (e).

309 (a) Except as provided in Subsection (4)(b), the percentage increase in annual  
310 compensation in any one of the years used may not exceed the previous year's compensation by  
311 more than 10% plus a cost-of-living adjustment equal to the decrease in the purchasing power  
312 of the dollar during the previous year, as measured by a United States Bureau of Labor  
313 Statistics Consumer Price Index average as determined by the board.

314 (b) In cases where the participating employer provides acceptable documentation to the  
315 office, the limitation in Subsection (4)(a) may be exceeded if:

- 316 (i) the member has transferred from another agency; or
- 317 (ii) the member has been promoted to a new position.

318 (c) If the member retires more than six months from the date of termination of  
319 employment, the member is considered to have been in service at the member's last rate of pay  
320 from the date of the termination of employment to the effective date of retirement for purposes  
321 of computing the member's final average salary only.

322 (d) If the member has less than five years of service credit in this system, final average  
323 salary means the average annual compensation paid to the member during the full period of  
324 service credit.

325 (e) The annual compensation used to calculate final average salary shall be based on:

- 326 (i) a calendar year for a member employed by a participating employer that is not an  
327 educational institution; or
- 328 (ii) a contract year for a member employed by an educational institution.

329 (5) "Participating employer" means an employer which meets the participation  
330 requirements of:

- 331 (a) Sections [49-12-201](#) and [49-12-202](#);
- 332 (b) Sections [49-13-201](#) and [49-13-202](#);
- 333 (c) Section [49-19-201](#); or
- 334 (d) Section [49-22-201](#) or [49-22-202](#).

335 (6) (a) "Regular full-time employee" means an employee whose term of employment  
336 for a participating employer contemplates continued employment during a fiscal or calendar  
337 year and whose employment normally requires an average of 20 hours or more per week,  
338 except as modified by the board, and who receives benefits normally provided by the  
339 participating employer.

340 (b) "Regular full-time employee" includes:

341 (i) a teacher whose term of employment for a participating employer contemplates  
342 continued employment during a school year and who teaches half time or more;

343 (ii) a classified school employee:

344 (A) who is hired before July 1, 2013; and

345 (B) whose employment normally requires an average of 20 hours per week or more for  
346 a participating employer, regardless of benefits provided;

347 (iii) an appointive officer whose appointed position is full time as certified by the  
348 participating employer;

349 (iv) the governor, the lieutenant governor, the state auditor, the state treasurer, the  
350 attorney general, and a state legislator;

351 (v) an elected official not included under Subsection (6)(b)(iv) whose elected position  
352 is full time as certified by the participating employer;

353 (vi) a faculty member or employee of an institution of higher education who is  
354 considered full time by that institution of higher education; and

355 (vii) an individual who otherwise meets the definition of this Subsection (6) who  
356 performs services for a participating employer through a professional employer organization or  
357 similar arrangement.

358 (c) "Regular full-time employee" does not include:

359 (i) a firefighter service employee as defined in Section [49-23-102](#);

360 (ii) a public safety service employee as defined in Section [49-23-102](#);

361 (iii) a classified school employee:

362 (A) who is hired on or after July 1, 2013; and

363 (B) who does not receive benefits normally provided by the participating employer  
364 even if the employment normally requires an average of 20 hours per week or more for a  
365 participating employer;

- 366 (iv) a classified school employee:
- 367 (A) who is hired before July 1, 2013;
- 368 (B) who did not qualify as a regular full-time employee before July 1, 2013;
- 369 (C) who does not receive benefits normally provided by the participating employer;
- 370 and
- 371 (D) whose employment hours are increased on or after July 1, 2013, to require an
- 372 average of 20 hours per week or more for a participating employer; or
- 373 (E) who is a person working on a contract:
- 374 (I) for the purposes of vocational rehabilitation and the employment and training of
- 375 people with significant disabilities; and
- 376 (II) that has been set aside from procurement requirements by the state pursuant to
- 377 Section 63G-6a-805 or the federal government pursuant to 41 U.S.C. Sec. 8501 et seq.
- 378 (7) "System" means the New Public Employees' Tier II Contributory Retirement
- 379 System created under this chapter.
- 380 (8) "Years of service credit" means:
- 381 (a) a period consisting of 12 full months as determined by the board;
- 382 (b) a period determined by the board, whether consecutive or not, during which a
- 383 regular full-time employee performed services for a participating employer, including any time
- 384 the regular full-time employee was absent on a paid leave of absence granted by a participating
- 385 employer or was absent in the service of the United States government on military duty as
- 386 provided by this chapter; or
- 387 (c) the regular school year consisting of not less than eight months of full-time service
- 388 for a regular full-time employee of an educational institution.

Section 4. Section 53A-17a-173 is enacted to read:

**53A-17a-173. Effective Teachers in High Poverty Schools Incentive Program -- Salary bonus -- Evaluation.**

(1) As used in this section:

(a) "Board" means the State Board of Education.

(b) "Cohort" means a group of students, defined by the year in which the group enters grade 1.

(c) "Eligible teacher" means a teacher who:

397 (i) is employed as a teacher in a high poverty school at the time the teacher is  
398 considered by the board for a salary bonus; and  
399 (ii) achieves a median growth percentile of 70 or higher:  
400 (A) a full school year before the school year the eligible teacher is being considered by  
401 the board for a salary bonus under this section, regardless of whether the teacher was employed  
402 the previous school year by a high poverty school or a different public school; and  
403 (B) while teaching at any public school in the state a course for which a statewide  
404 criterion-referenced test or online computer adaptive test is administered as described in  
405 Section [53A-1-603](#).  
406 (d) "High poverty school" means a public school:  
407 (i) in which:  
408 (A) more than 20% of the enrolled students are classified as children affected by  
409 intergenerational poverty; or  
410 (B) 70% or more of the enrolled students qualify for free or reduced lunch; or  
411 (ii) (A) that has previously met the criteria described in Subsection (1)(d)(i)(A) and for  
412 each school year since meeting that criteria at least 15% of the enrolled students at the public  
413 school have been classified as children affected by intergenerational poverty; or  
414 (B) that has previously met the criteria described in Subsection (1)(d)(i)(B) and for  
415 each school year since meeting that criteria at least 60% of the enrolled students at the public  
416 school have qualified for free or reduced lunch.  
417 (e) "Intergenerational poverty" means the same as that term is defined in Section  
418 [35A-9-102](#).  
419 (f) "Median growth percentile" means a number that describes the comparative  
420 effectiveness of a teacher in helping the teacher's students achieve growth in a year by  
421 identifying the median student growth percentile of all the students a teacher instructs.  
422 (g) "Program" means the Effective Teachers in High Poverty Schools Incentive  
423 Program created in Subsection (2).  
424 (h) "Student growth percentile" is a number that describes where a student ranks in  
425 comparison to the student's cohort.  
426 (2) (a) The Effective Teachers in High Poverty Schools Incentive Program is created to  
427 provide an annual salary bonus for an eligible teacher.

428           (b) The board shall, in accordance with Title 63G, Chapter 3, Utah Administrative  
429 Rulemaking Act, make rules for:

430           (i) the administration of the program;  
431           (ii) payment of a salary bonus; and  
432           (iii) application requirements.

433           (c) The board shall make an annual salary bonus payment in a fiscal year that begins on  
434 July 1, 2017, and each fiscal year thereafter in which money is appropriated for the program.

435           (3) (a) Subject to future budget constraints, the Legislature shall annually appropriate  
436 money to fund the program.

437           (b) Money appropriated for the program shall include money for the following  
438 employer-paid benefits:

439           (i) social security; and  
440           (ii) Medicare.

441           (4) (a) (i) A charter school or school district school shall annually apply to the board on  
442 behalf of an eligible teacher for an eligible teacher to receive an annual salary bonus each year  
443 that the teacher is an eligible teacher.

444           (ii) A teacher need not be an eligible teacher in consecutive years to receive the  
445 increased annual salary bonus described in Subsection (4)(b).

446           (b) The annual salary bonus for an eligible teacher is \$5,000:

447           (c) A public school that applies on behalf of an eligible teacher under Subsection  
448 (4)(a)(i) shall pay half of the salary bonus described in Subsection (4)(b) each year the eligible  
449 teacher is awarded the salary bonus.

450           (d) The board shall award a salary bonus to an eligible teacher based on the order that  
451 an application from a public school on behalf of the eligible is received.

452           (5) The board shall:

453           (a) determine if a teacher is an eligible teacher; and  
454           (b) verify, as needed, the determinations made under Subsection (5)(a) with the school  
455 district and school district administrators.

456           (6) The board shall:

457           (a) distribute money from the program to school districts and charter schools in  
458 accordance with this section and board rule; and

459 (b) include the employer-paid benefits described in Subsection (3)(b) in addition to the  
460 salary bonus amount described in Subsection (4)(b).

461 (7) Money received from the program shall be used by a school district or charter  
462 school to provide an annual salary bonus equal to the amount specified in Subsection (4)(b) for  
463 each eligible teacher and to pay affiliated employer-paid benefits described in Subsection  
464 (3)(b).

465 (8) (a) After the third year salary bonus payments are made, and each succeeding year,  
466 the board shall evaluate the extent to which a salary bonus described in this section improves  
467 recruitment and retention of effective teachers in high poverty schools by at least:

- 468 (i) surveying teachers who receive the salary bonus; and
- 469 (ii) examining turnover rates of teachers who receive the salary bonus compared to  
470 teachers who do not receive the salary bonus.

471 (b) Each year that the board conducts an evaluation described in Subsection (8)(a), the  
472 board shall, in accordance with Section 68-3-14, submit a report on the results of the evaluation  
473 to the Education Interim Committee on or before November 30.

- 474 (9) A public school shall annually notify a teacher:
- 475 (a) of the teacher's median growth percentile; and
- 476 (b) how the teacher's median growth percentile is calculated.

477 (10) Notwithstanding this section, if the appropriation for the program is insufficient to  
478 cover the costs associated with salary bonuses, the board may limit or reduce a salary bonus.

479 **Section 5. Appropriation.**

480 The following sums of money are appropriated for the fiscal year beginning July 1,  
481 2017, and ending June 30, 2018. These are additions to amounts previously appropriated for  
482 fiscal year 2018. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures  
483 Act, the Legislature appropriates the following sums of money from the funds or accounts  
484 indicated for the use and support of the government of the state of Utah.

485 ITEM 1

486 <u>To State Board of Education -- Minimum School Program -- Related to Basic Program</u>	
487 <u>From Education Fund</u>	<u>\$250,000</u>
488 <u>Schedule of Programs:</u>	
489 <u>Effective Teachers in High Poverty</u>	



490 Schools Incentive Program \$250,000

491 The Legislature intends that the State Board of Education use the \$250,000 ongoing  
492 appropriation described in this section to award a salary bonus and pay an authorized  
493 employer-paid benefit to an eligible teacher as part of the program described in Section  
494 53A-17a-172.

495 **Section 6. Coordinating H.B. 212 with S.B. 220 -- Substantive and technical**  
496 **amendments.**

497 If this H.B. 212 and S.B. 220, Student Assessment and School Accountability  
498 Amendments, both pass and become law, it is the intent of the Legislature that the Office of  
499 Legislative Research and General Counsel prepare the Utah Code database for publication by  
500 modifying Subsection 53A-17a-173(1)(c)(ii)(B) to read:

501 "(B) while teaching at any public school in the state a course for which a standards  
502 assessment is administered as described in Section 53A-1-604."