

THIRD GRADE PROMOTION & READING PROFICIENCY

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House Bill 4822 as introduced
Sponsor: Rep. Amanda Price
Committee: Education
Complete to 9-9-15

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4822 would add a new section to the Revised School Code to:

- Require that beginning in the 2016-2017 school year, a third grade student's promotion to grade four be based on reading proficiency—with a possible retention in grade lasting no more than one year.
- Describe the reading assistance programs public schools must implement to ensure student success, including ongoing professional development for early elementary school teachers provided by skilled school-based reading/literacy coaches.

The bill would take effect 90 days after being enacted into law.

A detailed description of the bill follows.

Responsibilities of the Michigan Department of Education

Under the bill, the Michigan Department of Education would be required to do all of the following to help ensure that more students achieve a score of at least "proficient" in English language arts on the grade 3 state assessment:

- Approve three (or more) valid and reliable screening, formative, and diagnostic reading assessment systems for use by school districts and charter schools.

The bill requires that each approved assessment system provide a screening assessment, progress monitoring capabilities, and a diagnostic assessment. In determining which assessment systems to approve, the department must consider at least the following factors: the time required to conduct the assessment (with the intention of minimizing the impact on instructional time); the level of integration of assessment results with the instructional support for teachers; and the timeliness in reporting assessment results to teachers, administrators, and parents.

- Develop a process to allow students to retake the grade 3 reading assessment.
- Recommend or develop a reading/literacy coach model.

The bill requires that the reading/literacy coach model support and provide initial

and ongoing professional development to teachers in all of the following ways. First, the coach must provide professional development in each of the five major reading components: phonemic awareness, phonics, fluency, vocabulary, and comprehension--based on an analysis of student performance data. Second, the coach must provide professional development that enables administering and analyzing instructional assessments. Third, the coach must make available professional development that provides differentiated instruction and intensive intervention. And fourth, the professional development provided by the coach must use progress monitoring.

Responsibilities of the Reading/Literacy Coaches.

The bill requires the reading/literacy coach to undertake 11 separate teaching tasks:

- (1) Model effective instructional strategies for teachers;
- (2) Facilitate study groups;
- (3) Train teachers in data analysis and using data to differentiate instruction;
- (4) Coach and mentor colleagues;
- (5) Work with teachers to ensure that research-based reading programs (such as comprehensive core reading programs, supplemental reading programs, and comprehensive intervention reading programs) are implemented with fidelity;
- (6) Train teachers to diagnose and address barriers to reading;
- (7) Work with teachers in applying research-based reading strategies;
- (8) Help increase instructional density;
- (9) Help lead and support reading leadership teams at the school;
- (10) Continue to increase his or her own knowledge base in best practices in reading instruction and intervention; and
- (11) Model and coach whole- and small-group instruction with students, for each teacher in grades K to 3.

To allow a sharp focus on reading instruction, the bill prohibits a reading/literacy coach from being assigned administrative functions that will confuse the coach's role for teachers. Further, the bill prohibits a coach from being assigned a regular classroom teaching assignment, and instead requires that the coach work frequently with students in whole- and small-group instruction or tutoring in the context of modeling and coaching in or outside of teachers' classrooms.

To ensure highly capable coaches, the bill requires that a reading/literacy coach have all of the following: *experience* as a successful classroom teacher; *sufficient knowledge* of scientifically-based reading research, special expertise in quality reading instruction (as well as infusing reading strategies into content-area instruction), and data management skills; a strong knowledge *base in working with adults*; a minimum of *a bachelor's degree and advanced coursework in reading*, or have completed professional development in research-based literacy instruction strategies.

Responsibilities of the School Boards and Charter School Boards of Directors.

Beginning in the 2016-2017 school years, the boards of public and charter schools would be required to do all of the following to ensure more students achieve a score of at least "proficient" in English language arts on the grade 3 state assessment.

- Select one valid and reliable screening, formative, and diagnostic reading assessment system for those approved by the Department of Education.

A school district or charter school would then use this assessment system in grades kindergarten to 3 to screen and diagnose difficulties, inform instruction and intervention needs, and assess progress. A student's progress would have to be assessed at least three times each school year, and the first of the assessments would have to be conducted within the first 30 days after classes began.

- For any student who exhibited a deficiency in reading at any time, provide an individual Reading Improvement Plan within 30 days.

The plan would be created by a student's teacher, school principal, and parents (or legal guardians), as well as by other pertinent school personnel. It would describe the reading intervention services the student would receive to remedy the reading deficit. Then, the school would provide intensive reading intervention for each student, in accord with the individual reading improvement plan until the student no longer had a reading deficiency.

- If a student in grades K to 3 were identified as having an early literacy delay or barrier to reading, school officials, provide written notice to the parents (or legal guardian), and provide tools to assist the parents to engage in intervention and to address or correct any barrier at home.
- Submit early literacy data to the Department of Education annually.
- (1) Target specific areas of professional development based on the reading development needs data for incoming students, for each teacher in grades K to 3; (2) differentiate and intensify professional development for teachers based on data gathered by monitoring teacher progress in improving student proficiency rates; (3) establish a collaborative system within the school to improve reading proficiency rates in grades K to 3; and (4) ensure that time was provided for teachers to meet for professional development.
- Employ reading/literacy coaches, using the reading/literacy coach model recommended or developed by the Department of Education.
- Identify how to best monitor the implementation and effectiveness of the reading/literacy coach model, and assure communication between the central office, school administration, and the coach throughout the school year, to address areas of concern.

School-based Reading Intervention & Read at Home.

House Bill 4822 describes in detail the manner in which school districts and charter schools would be required to provide reading intervention programs for all students in grades K to 3. The programs, intended to ensure that students are proficient readers by the end of grade 3, would include some or all of the following features:

- (1) Be student-specific for each K-3 student;
- (2) Screen and monitor progress at least three times each year;
- (3) Provide highly effective core reading instruction that was comprehensive and met the majority of the general education class room needs;
- (4) Provide reading intervention that, at a minimum, allowed the student to read at grade level, including intensive development in the five major reading components—phonemic awareness, phonics, fluency, vocabulary, and comprehension; established student progress through ongoing analysis; was implemented during regular school hours (in addition to regular classroom reading instruction); and
- (5) Provide parents (and legal guardians) with a "Read at Home" plan outlined in a parental contract, including participation in parent and guardian training workshops and regular parent-guided home reading.

Further, the bill describes the reading intervention program that is intended to correct reading deficiencies for a grade 3 student who did not achieve a grade 3 reading level on the state assessment. Depending on the needs of an individual student, the intervention program would include the following features:

- (1) Be scientifically research-based with proven results in accelerating achievement within a single school year;
- (2) Provide more dedicated time to reading;
- (3) Provide daily targeted small-group and one-to-one reading intervention, including explicit and systematic instruction with more detailed and varied explanation, more extensive opportunities for guided practice, and more opportunities for error correction and feedback;
- (4) Frequent and ongoing progress monitoring assessments;
- (5) Supplemental research-based interventions delivered by a teacher or tutor with specialized training provided before school, after school, or during school hours but outside of regular English language arts classroom time, or any combination of these; and
- (6) Parental involvement through a "Read at Home" plan having a parental contract (as described above).

Reading Summer Camps.

School districts and charter schools are encouraged, under the bill, to offer summer reading camps staffed with highly effective reading teachers, for all grade 3 students who do not achieve a grade 3 reading score on the state assessment.

Promotion from Grade 3 to Grade 4.

Beginning with students enrolled in grade 3 during the 2016-2017 school year, a student rated one full grade level or more behind in reading (as determined by the state assessment) would not be enrolled in grade 4 until one of the following occurred:

- The student achieved a grade 3 level reading score on the state English language arts assessment;
- The student demonstrated a grade 3 reading level through performance on an alternative standardized reading assessment approved by the state superintendent

- of public instruction; or
- The student demonstrated a grade 3 reading level through a student portfolio, as evidenced by demonstrating mastery of all grade 3 state English language arts standards through multiple work samples.

Under the bill, if a child younger than 10 years of age sought to enroll for the first time in a school district or charter school in grade 4, school officials would be prohibited from enrolling the student in grade 4 unless at least a grade 3 reading level were demonstrated utilizing one of the three assessment results described above.

If, as a result of failing the grade 3 reading level assessment, a student was not enrolled in grade 4, and the student had demonstrated proficiency in mathematics, science, writing, or social studies, or by the student's grade 3 reading teacher, then school officials would be required to ensure that the student was provided with instruction commensurate with the student's achievement level in that specific subject area. The bill specifies that this instruction could be given in a grade 4 class-room setting.

House Bill 4822 specifies that students who are not advanced to grade 4 must be provided with a reading intervention program that is intended to correct the student's reading proficiency, and address any barriers to reading. This program would be required to include effective instructional strategies necessary to assisting the student to become a successful reader, including all of the following features, as appropriate for the needs of the individual student:

- A reduced student-teacher ratio or one-on-one reading intervention with a volunteer;
- Assignment to a highly effective teacher of reading, or a reading specialist;
- Reading programs that are research-based and have proven results in accelerating student reading achievement within the same school year;
- Reading instruction and intervention for the majority of student contact time each day that incorporates opportunities to master the grade 4 state standards in other core academic areas;
- Daily targeted small-group or one-to-one reading intervention that is based on student needs (determined by assessment data and diagnosed barriers to reading) that includes explicit and systematic instruction with more detailed and varied explanation, more extensive opportunities for guided practice, and more opportunities for error correction and feedback;
- Administration of ongoing progress monitoring assessments;
- Supplemental research-based reading intervention delivered by a teacher or tutor with specialized reading training provided before, after, or during school but outside regular English language arts classroom time, or a combination of these; and,
- Parental involvement with a "Read at Home" plan having a parental contract, and parent training workshops.

Repeat Grade 3 Only Once.

House Bill 4822 prohibits a school district or charter school from requiring a student to repeat grade 3 more than once.

'Good Cause' Exemptions.

The bill describes ways that promotion to grade 4 would be allowed for a student without a grade 3-level reading proficiency. Specifically, if the school superintendent or charter school administrator granted a 'good cause' exemption, the student could be advanced to grade 4. However, a 'good cause' exemption could be granted only according to certain procedures, and only for one of the following reasons:

- The student has an individualized education program whose team determines that student is ineligible to take the standard grade 3 state assessment, or the MI-Access assessment, or any similar alternative state assessment;
- The student is a limited English proficient student who has had less than two years of instruction in an English language learner program; or,
- The student has received intensive reading intervention for two or more years but still demonstrates a deficiency in reading and was previously retained in kindergarten, grade 1, grade 2, or grade 3.

Further, the bill describes a procedure that must be followed, if a school official exempts a grade 3 student for 'good cause'. Specifically, a 'good cause' exemption could be granted at the request of a student's parent (or legal guardian), or upon the teacher's own initiative, if the student's grade 3 teacher submitted to the principal or to a charter school's chief administrator a recommendation along with documentation.

The documentation would consist of a statement requesting the exemption, the student's existing reading improvement plan or individualized education program, and the alternative assessment or student portfolio results. Then the principal would review and discuss the recommendation with the student's grade 3 teacher (and if the student has an individualized education program also with the student's IEP team).

The principal would then make a determination, in writing, whether or not to recommend a 'good cause' exemption, and submit the recommendation to the school superintendent, who would accept or reject it, also in writing. The superintendent's decision would be final. For a student enrolled in a charter school, the chief administrator would review and discuss the recommendation with the student's grade 3 classroom teacher and IEP team, and then make the final determination. Finally, the bill requires the school superintendent or charter school chief administrator to notify the student's parent (or legal guardian) of the determination.

Retaking the Grade 3 Reading Exam.

To determine a student's eligibility for reading intervention services, the bill specifies that with the agreement of the student's teacher and parent (or legal guardian), a student may retake the grade 3 state English language arts assessment before grade 4, or during grade 4, to attempt to achieve a score in reading that indicates the student is less than one grade level behind.

Funding Priority.

House Bill 4822 requires a school district or charter school to prioritize its state school aid funding, general funds, and any available federal funds to implement and support the reading activities described in the bill. The bill specifies that it neither requires nor intends

to require a school district or charter school to supplant state funds with federal funds for implementing or supporting these activities, nor does it prohibit a school district or charter school from continuing to use federal funds for any of the purposes or activities described in the bill.

Definitions.

The bill defines four terms. "*Barrier to reading*" is defined to mean a physical, emotional, or developmental impediment to a pupil's ability to read at grade level. "*Individualized education program*" is defined to mean that term as described in R 340.1721E of the Michigan Administrative Code. "*Kindergarten*" includes a classroom for young 5-year olds, commonly referred to as "young 5s" or "developmental kindergarten." "*Reading leadership team*" is defined to mean a collaborative system led by a school building's principal or program director and consisting of a cross-section of faculty who are interested in working to improve literacy instruction across the curriculum.

FISCAL IMPACT:

House Bill 4822 could result in increased costs to the state and to local units of government. The state would incur both the increased costs of educating certain students for an additional year as well as costs of the additional responsibilities the bill would require of the MDE. Local school districts and public school academies (PSAs) would also incur additional costs associated with additional responsibilities. The fiscal impact is described in more detailed below.

Additional Year of Instruction

Currently, less than 1% of all students repeat the 3rd grade. To the extent that additional students repeat 3rd grade due to provisions in the bill, it would increase the number of students in local school districts over time. The bill would apply beginning with students entering the 3rd grade for 2016-2017, which means the first students would be required to repeat 3rd grade in 2017-2018. Initially, there would be no fiscal impact as students simply would be counted in a different grade than they would have been otherwise. The bill would create a larger 3rd grade count, permanently increased by the number of retained students, and a single smaller cohort entering 4th grade. By the time that smaller cohort graduates out, and the first retained 3rd graders enter 12th grade (their 14th year of school) in 2026-2027, statewide enrollment would increase by the average number of students retained, thus increasing statewide school operating costs.

Generally, the added school operating costs associated with the additional year of instruction would be paid through the foundation allowance and would be borne by the state in the School Aid budget (because existing local operating millage revenue would be spread over a greater number of pupils, thus decreasing the local per pupil revenue and increasing the required state share per pupil necessary to fully fund foundation allowances). For FY 2015-16, the minimum foundation allowance is \$7,391 and the maximum state guaranteed foundation allowance is \$8,169. Each district's mix of state and local funding varies depending on local non-homestead property values and pupil memberships.

There are not enough data to determine the actual number of students who would have to repeat the 3rd grade under the provisions of the bill. First, the bill would not allow the

promotion of a student to the 4th grade if the student is one full grade level or more behind in reading on the Grade 3 state English language arts assessment. However, the current state test does not designate reading proficiency based on the number of grade levels above or below a student's actual grade. Second, the bill would allow for several alternative methods for promotion to grade 4 (retaking the test, taking a comparable standardized test, or a pupil portfolio that demonstrates mastery), as well as exemptions if the student had already been retained in a previous grade or for good cause, all of which could significantly decrease the actual number of students who would repeat the 3rd grade under the bill.

In the absence of better data, 2013-2014 Michigan Education Assessment Program (MEAP) results may be used to provide an estimate for the upper range of potential fiscal impact. Those results indicate as many as 39% or 42,500 3rd grade students did not meet proficiency standards in reading. [Even MEAP data may not be an accurate reflection because a new assessment, the Michigan Student Test of Educational Progress (M-STEP) replaced the MEAP in 2014-2015, and proficiency data from the new assessment is not yet available.] Based on these MEAP results and the current average foundation allowance, the annual added cost beginning in 2026-2027 could be \$321 million per year. However, to the extent that both the exemptions and the increased emphasis on 3rd grade reading proficiency that would likely result from the bill decrease the number of actual students repeating the 3rd grade, it would mitigate the increased state costs.

MDE Responsibilities

The bill would add to MDE costs through added responsibilities including the following:

- Approving valid and reliable screening, formative and diagnostic reading assessment systems for use by districts and PSAs.
- Developing a process and additional versions of the M-STEP to allow students to retake the 3rd grade reading assessment.
- Recommending a literacy coach model for use by districts and PSAs.
- Maintaining early literacy data submitted by districts and PSAs.

While choosing reading assessment systems and a literacy coach model would likely require redirection of existing staff time rather than the hiring of additional staff, and thus minimal cost, creating a process for and additional versions of the 3rd grade M-STEP reading assessment would increase assessment contract costs, and maintaining additional literacy data could increase technology costs. The FY 2015-16 School Aid budget did include \$900,000 to support the implementation of early literacy initiatives.

School District and PSA Responsibilities

The bill could increase costs to districts and PSAs by requiring that they provide added resources to increase the number of students achieving a score of proficient in English language arts examination on the 3rd grade state assessment including the following:

- Using a diagnostic reading assessment system to assess all students in grades K to 3 at least three times per year.
- Creating a reading improvement plan for any student with a reading deficiency.
- Providing parental tools to assist parents with home interventions.

- Maintaining and submitting early literacy data to the MDE.
- Providing targeted professional development for K to 3 teachers.
- Employing reading/literacy coaches using the MDE model.
- Providing interventions that include more dedicated reading instruction time, including targeted small group and 1-to-1 interventions.

The bill could also increase costs to districts by requiring a district or PSA to provide the following for a student who is repeating the 3rd grade:

- Providing reduced student-teacher ratio or 1-to-1 reading intervention with a volunteer.
- Assigning a highly effective teacher, the highest evaluated teacher, or a reading specialist.
- Providing reading instruction and intervention for the majority of student contact time each day while also allowing for opportunities to master 4th grade standards in other academic areas.
- Providing daily targeted small group or 1-to-1 reading intervention.

The FY 2015-16 School Aid Budget added funding that could offset a portion of the costs including:

- \$17.5 million for added instructional time before, during, or after school.
- \$5.5 million for diagnostic and screening tools and computer adaptive tests.
- \$3.0 million to support half the cost of at least one literacy coach per intermediate school district (ISD) plus additional coaches depending on the size and poverty concentration of the ISD.
- \$1.0 million for pilot Parent University programs.
- \$950,000 for expanded and focused professional development for K to 3 reading instruction.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.