

HOUSE RESEARCH

Bill Summary

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Subject: Compensatory Revenue Reallocation; Pilot Program

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Overview

A school district receives compensatory revenue based on the number of students at each school site who qualify for free or reduced price meals. The current statute requires that compensatory revenue be spent at the site where the revenue is generated and that the local site decision team make recommendations about how to spend that money, subject to the program requirements.

This bill authorizes a three-year pilot project for up to five school districts that would allow the districts to reallocate compensatory revenue on the basis of test scores.

Section

- 1 Building allocation.** Authorizes a qualifying school district to allocate its compensatory revenue on the basis of test scores.
- 2 Recommendation.** Requires a school district that is allocating its compensatory revenue on the basis of test scores to share its plan for the distribution of compensatory revenue with each school site decision team.
- 3 Compensatory revenue allocation; test scores.** Creates a three-year pilot program to allow districts to allocate compensatory revenue on the basis of test scores. Requires an interested school district to submit its application to the commissioner of education by June 1, 2004. Specifies that the application must: (1) identify the test results that will be used to assess student performance; (2) describe the method the district will use to distribute the compensatory revenue; and (3) summarize the evaluation procedure the district will use to

Section

determine if the redistribution of compensatory revenue results in an improvement in student performance. Requires the commissioner to select up to five school districts for the pilot program. Requires the commissioner to report to the legislature about the effectiveness of the pilot program.