AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.6455 is amended to read as follows:

It is the intent of the General Assembly that schools succeed with all students and receive the appropriate consequences in proportion to that success.

(1) (a) The Kentucky Board of Education shall create an accountability system to classify districts and schools in accordance with the academic standards and student assessment program developed pursuant to KRS 158.6453.

(b) The accountability system shall include an annual meaningful differentiation of all public schools in the state using multiple measures that describe the overall performance of each district, school, and student subgroup. Performance shall be based on a combination of academic and school quality indicators and measures, hereinafter called "state indicators." The state indicators shall exclusively include:

1. An annual overall summative performance evaluation of each school and district compared to goals established by the Kentucky Department of Education. The evaluation for each school and district shall:
   a. Not consist of a single summative numerical score that ranks schools against each other; and
   b. Be based on a combination of academic and school quality indicators and measures, with greater weight assigned to the academic measures;

2. Student assessment results;

3. Progress toward achieving English proficiency by limited English proficiency students;

4. Quality of school climate and safety;

5. High school graduation rates;
Postsecondary readiness for each high school student, which shall be included as an academic indicator, and shall be measured by:

a. Meeting or exceeding a college readiness benchmark score on the college admissions examination used as the statewide assessment in KRS 158.6453(5)(b) or a college placement examination approved by the Council on Postsecondary Education. The college readiness benchmark score shall be established by the Council on Postsecondary Education; or

b. Achievement of college credit, postsecondary articulated credit, apprenticeship time toward a credential or associate degree, or any industry-recognized certifications, licensures, or credentials, with more weight in accountability for industry-recognized certifications, licensures, or credentials identified as high demand in accordance with the process described in paragraph (e) of this subsection. Eligible industry-recognized certifications, licensures, or credentials shall not be limited to those earned in conjunction with a minimum sequence of courses. Each high school shall publicly report the credits, hours, and credentials on an annual basis; and

Any other factor mandated by the federal Every Student Succeeds Act of 2015, Pub. L. No. 114-95, or its successor.

Beginning with data from the 2020-2021 and 2021-2022 school years, the accountability system performance for each district, school, and student subgroup determined by the state indicators shall be based on a combination of annual performance, hereinafter called "status," and improvement over time, hereinafter called "change."

1. Status and change shall receive equal weight in determining overall
performance. For all students as a group and separately for individual
subgroups, status shall be determined, beginning with the data from
the 2020-2021 academic year, by using the current year performance
and change shall be determined, beginning with the data from the
2021-2022 academic year, by using the difference in performance
from the prior to current year, except change shall be based on the
difference in performance for the prior three (3) years for the purpose
of determining the lowest-performing five percent (5%) of schools
under subsections (2) and (3) of Section 2 of this Act.

2. For each state indicator, there shall be five (5) status levels ranging
from very high to very low and five (5) change levels ranging from
increased significantly to declined significantly.

3. The percentile cut scores for status and change levels shall be based
on distribution and shall be approved by the Kentucky Department of
Education and the Local Superintendents Advisory Council. The cut
scores shall remain in place for at least six (6) years unless existing
cut scores no longer support meaningful differentiation of schools as
required by the federal Every Student Succeeds Act of 2015, Pub. L.
No. 114-95, or its successor.

(d) Beginning in the fall of 2022, the Kentucky Department of Education shall
develop an online display of the accountability system results hereinafter
called a "dashboard." A color-coded performance level for each state
indicator shall be displayed in a straightforward manner on the dashboard
for overall performance, status, and change by district, school, and
individual subgroups. Overall performance shall aggregate all available
data for the state indicators.

(e) Based on data from the Kentucky Center for Education and Workforce
Statistics, each local workforce investment board, in conjunction with local economic development organizations from its state regional sector, shall annually compile a list of industry-recognized certifications, licensures, and credentials specific to the state and regional workforce area, rank them by demand for the state and regional area, and provide the list to the Kentucky Workforce Innovation Board. The Kentucky Workforce Innovation Board, in conjunction with the Kentucky Department of Education, may revise the lists before the Kentucky Department of Education disseminates the lists to all school districts to be used as postsecondary readiness indicators.

1. The Kentucky Department of Education shall pay for the cost of an assessment taken by a high school student for attaining an industry-recognized certification, credential, or licensure if the student consecutively completes at least two (2) related career pathway courses approved by the department prior to taking the assessment.

2. If a high school student has not completed the two (2) course requirement described in subparagraph 1. of this paragraph but meets performance-based experience eligibility and passes an assessment, the department shall provide a weighted reimbursement amount to the school district for the cost of the assessment based on the level of demand of the certificate, credential, or license earned. The Kentucky Board of Education shall promulgate regulations establishing the performance-based experience eligibility requirements and weighted reimbursement amounts.

Prior to promulgating administrative regulations to revise the accountability system, the board shall seek advice from the School Curriculum, Assessment, and Accountability Council; the Office of Education Accountability; the Education Assessment and Accountability Review
Subcommittee; and the National Technical Advisory Panel on Assessment and Accountability.

(2) A student's test scores shall be counted in the accountability measure of:

(a) The school in which the student is currently enrolled if the student has been enrolled in that school for at least a full academic year as defined by the Kentucky Board of Education; or

2. The school in which the student was previously enrolled if the student was enrolled in that school for at least a full academic year as defined by the Kentucky Board of Education; and

(b) The school district if the student is enrolled in the district for at least a full academic year as defined by the Kentucky Board of Education; and

(c) The state if the student is enrolled in a Kentucky public school prior to the beginning of the statewide testing period.

(3) After receiving the advice of the Office of Education Accountability; the School Curriculum, Assessment, and Accountability Council; and the National Technical Advisory Panel on Assessment and Accountability, the Kentucky Board of Education shall promulgate an administrative regulation in conformity with KRS 158.6471 and 158.6472 and KRS Chapter 13A to establish more rigorous action, intervention, and appropriate consequences for schools that fail to exit comprehensive support and improvement status described in KRS 160.346. The consequences shall be designed to improve the academic performance and learning environment of identified schools and may include but not be limited to:

(a) A review and audit process to determine the appropriateness of a school's or district's classification and to recommend needed assistance;

(b) School and district improvement plans;

(c) Eligibility to receive Commonwealth school improvement funds under KRS 158.805;
(d) Education assistance from highly skilled certified staff; and

(e) Observation of school personnel.

(4) All students who drop out of school during a school year shall be included in a school's annual average school graduation rate calculation.

(5) After receiving the advice of the Education Assessment and Accountability Review Subcommittee, the Office of Education Accountability; the School Curriculum, Assessment, and Accountability Council; and the National Technical Advisory Panel on Assessment and Accountability, the Kentucky Board of Education may promulgate by administrative regulation, in conformity with KRS 158.6471 and 158.6472 and KRS Chapter 13A, a system of district accountability that includes establishing a formula for accountability, goals for improvement over a three (3) year period, rewards for leadership in improving teaching and learning in the district, and consequences that address the problems and provide assistance when one (1) or more schools in the district fail to exit comprehensive support and improvement status after three (3) consecutive years of implementing the turnaround intervention process described in KRS 160.346.

(6) After receiving the advice of the Office of Education Accountability; the School Curriculum, Assessment, and Accountability Council; and the National Technical Advisory Panel on Assessment and Accountability, the Kentucky Board of Education shall promulgate administrative regulations in conformity with KRS 158.6471 and 158.6472 and KRS Chapter 13A[f] to establish a process whereby a school or school district shall be allowed to appeal any[f] performance judgment made by the department under this section or Section 2 of this Act of a principal, superintendent, school, or school district which it considers grossly unfair. Upon appeal, an administrative hearing shall be conducted in accordance with KRS Chapter 13B. The state board may adjust a performance judgment on appeal when evidence of highly unusual circumstances warrants the conclusion that the
performance judgment is based on fraud or a mistake in computations, is arbitrary, is lacking any reasonable basis, or when there are significant new circumstances occurring during the three (3) year assessment period which are beyond the control of the appellant school or school district.

Section 2. KRS 160.346 is amended to read as follows:

(1) For purposes of this section:

(a) "Approved turnaround vendor list" means a list of at least three (3) vendors pre-approved by the Kentucky Board of Education for the purposes of subsection (8) of this section that have documented success at providing turnaround diagnosis, training, and improved performance of organizations:

(b) "Department" means the Kentucky Department of Education;

(c) "ESSA" means the Every Student Succeeds Act of 2015, Pub. L. No. 114-95, or its successor;

(d) "Level" means elementary, middle, or high school;

(e) "Turnaround" means a comprehensive transformation of a school to achieve accelerated, meaningful, and sustainable increases in student achievement through improved school leadership and school district support;

(f) "Turnaround plan" means a mandatory school plan that is designed to improve student learning and performance with evidence-based interventions as defined in ESSA and that is developed and implemented by the local school district in partnership with stakeholders, including the principal, other school leaders, teachers, and parents; and

(g) "Turnaround team" means the turnaround training and support team selected by the local board of education as described in subsection (8)(7)(a) of this section.

(2) (a) Beginning with the 2020-2021 school year, and annually
thereafter, the department shall identify a school for targeted support and improvement if the school has[—at least—] one (1) or more of the same subgroups, as defined by ESSA, whose performance in the state accountability system by level is at or below that of all students in any of the lowest-performing five percent (5%) of all schools for three (3) consecutive years[—and the school is in the lowest-performing ten percent (10%) of all schools by level].

(b) Beginning with the 2021-2022[2020-2021] school year, and every three (3) years thereafter, the department shall identify a school for additional targeted support and improvement if the school has[—at least—] one (1) or more subgroups, as defined by ESSA, whose performance in the state accountability system by level is at or below the summative performance of all students in any of the lowest-performing five percent (5%) of all schools identified under subsection (3)(a) of this section and the school was[has been] identified in the immediately preceding year for targeted support and improvement as described in paragraph (a) of this subsection.

(3) Beginning with the 2021-2022 school year, and every three (3) years thereafter[2018-2019 school year, or upon the department's implementation of the provisions of ESSA, whichever occurs first], a school shall be identified by the department for comprehensive support and improvement if the school is:

(a) In the lowest-performing five percent (5%) of all schools in its level based on the school's performance in the state accountability system;

(b) A high school with a four (4) year cohort graduation rate that is less than eighty percent (80%); or

(c) Identified by the department for additional targeted support and improvement under subsection (2)(b) of this section and fails to exit additional targeted support and improvement status based on criteria established under subsection
(11)(9) of this section.

(4) (a) When a school is identified for targeted support and improvement under subsection (2)(a) of this section, the local school personnel, working with stakeholders, including the principal, other school leaders, teachers, and parents, shall revise its school improvement plan, which shall be subject to review and approval by the local board of education.

(b) Each revised plan shall be informed by all available indicators, including student performance compared to long-term goals, and shall include:

1. Components of turnaround leadership development and support;
2. Identification of critical resource inequities;
3. Evidence-based interventions; and
4. Additional actions that address the causes of consistently underperforming subgroups of students.

(c) If adequate performance progress, as defined by the department, is not made:
1. By a school identified under subsection (2)(b) of this section, the local school district shall take additional action to assist and support the school in reaching performance goals; and
2. By a school identified under subsection (2)(a) of this section, the school shall be identified for comprehensive support and improvement.

(5) [(a) When a school is identified for additional targeted support and improvement under subsection (2)(b) of this section, the local school district shall take more rigorous district-determined action to assist and support the school in reaching performance goals.

(6) (a) When a school is identified for comprehensive support and improvement, an audit shall be performed by the department to diagnose the causes of the school's low performance. The local board of education shall select a turnaround audit team with documented expertise in diagnosing the causes of
an organization's low performance and providing advice and strategies resulting in effective turnaround leadership. The audit team shall not include any of the district's employees.

(b) If the local board determines no suitable audit teams are available, the board shall select the department to perform the audit.

(c) The Kentucky Board of Education shall recommend criteria to the local board of education for a review process that a turnaround audit team may utilize to assess the turnaround leadership capacity of the principal, superintendent, and district.

(b) The audit conducted under this subsection shall be the only comprehensive audit required for a school unless the school fails to exit comprehensive support and improvement status as described in subsection (11) of this section or exits comprehensive support and improvement status but subsequently repeats as a school identified for comprehensive support and improvement.

7. The audit conducted by the department under subsection (6) of this section to audit a school identified for comprehensive support and improvement shall include:

1. A diagnosis of the causes of the school's low performance, with an emphasis on underperforming subgroups of students and corresponding critical resource inequities;

2. An assessment and recommendation to the superintendent regarding the best strategies to address the school's specific needs, the principal's capacity to function or develop as a turnaround specialist, including if the principal should be reassigned to a comparable position in the school district;
3. An assessment of the interaction and relationship among the superintendent, central office personnel, and the school principal;

4. A recommendation of the steps the school may implement to launch and sustain a turnaround process; and

5. A recommendation to the local board of education of the turnaround principles and strategies necessary for the superintendent to assist the school with turnaround.

(b) The report of an audit conducted under this subsection shall be provided to the superintendent, local board of education, school principal, commissioner of education, and the Kentucky Board of Education.

(8) After completion of the audit described in subsection (7) of this section, each school identified for comprehensive support and improvement shall engage in the following turnaround intervention process:

(a) The local board of education shall select a vendor from the approved turnaround vendor list to issue a request for proposals for a private entity with documented success at turnaround diagnosis, training, and improved performance of organizations to provide a turnaround training and support team to the school identified for comprehensive support and improvement. The local board of education shall select the turnaround entity and negotiate the scope and duration of the vendor’s services;

{2. Utilize local staff and community partners to serve as the turnaround team for the school identified for comprehensive support and improvement; or

3. Select the Kentucky Department of Education to serve as the turnaround team, if the local board determines the options provided in subparagraphs 1. and 2. of this paragraph are not viable alternatives;}
(b) The authority of the school council granted under KRS 160.345 shall be transferred to the superintendent;

(ec) The superintendent may either retain the principal or reassign him or her to a comparable position in the district;

(d) The superintendent shall select a principal for the school if a principal vacancy occurs. The superintendent shall consult with the turnaround team, parents, certified staff, and classified staff before appointing a principal replacement;

(e) Upon recommendation of the principal, the superintendent may reassign certified staff members to a comparable position in the school district;

(f) The superintendent shall collaborate with the turnaround team to design ongoing turnaround training and support for the principal and a corresponding monitoring system of effectiveness and student achievement results;

(g) The principal shall collaborate with the turnaround team to establish an advisory leadership team representing school stakeholders including other school leaders, teachers, and parents;

1. In consultation with the department, the local school board shall collaborate with the superintendent, principal, turnaround team, and the advisory leadership team to propose a three (3) year turnaround plan.

2. The turnaround plan shall include requests to the department for exemptions from submitting documentation that are identified by the principal, advisory leadership team, and turnaround team as inhibitors to investing time in innovative instruction and accelerated student achievement of diverse learners including ongoing staff instructional plans, student interventions, formative assessment results, or staff effectiveness processes.

3. The turnaround plan shall be reviewed for approval by the
superintendent and the local board of education and shall be subject to review, approval, monitoring, and periodic review by the department as described in KRS 158.782;

(h) The school district may request technical assistance from the department for development and implementation of the turnaround plan, which may include conducting needs assessments, selecting evidence-based interventions, and reviewing and addressing resource inequities;

(i) The turnaround plan shall be fully implemented by the first full day of the school year following the school year the school was identified for comprehensive support and improvement; and

(j) The superintendent shall periodically report to the local school board, and at least annually to the commissioner of education, on the implementation and results of the turnaround plan.

(9) To assist with funding the audit and turnaround intervention process described in subsections (5) and (7) of this section and not provided by the department, The department shall annually disburse funds to a school district, for a maximum of three (3) years, to assist with funding the turnaround vendor costs incurred by the district under subsection (8) of this section. The Kentucky Board of Education shall promulgate administrative regulations on how the disbursement amounts shall be determined, which shall be based on the department's past practice for determining allocations for school improvement [an amount not to exceed the amount budgeted by the department to serve as the turnaround team to a school under subsection (7)(a)3. of this section, including Commonwealth school improvement funds under KRS 158.805 and assistance personnel].

(10) Beginning in 2023, the department shall submit an annual report no later than November 30 to the Interim Joint Committee on Education relating to the
The report shall include but not be limited to each school's accountability system performance since utilizing the services of the turnaround vendor, the cost of using the vendor, and any other information helpful in evaluating the performance of the turnaround vendor.

The Kentucky Board of Education shall establish annual statewide exit criteria for schools identified for targeted support and improvement, additional targeted support and improvement, and comprehensive support and improvement.

If a school enters comprehensive support and improvement status and does not make any annual improvement, as determined by the department, for two (2) consecutive years, or if the school does not exit the status after three (3) years, the school shall enter a school intervention process chosen by the commissioner of education that provides more rigorous support and action by the department to improve the school's performance.

For school districts that include a significant number of schools, as determined by the department, identified for targeted support and improvement:

(a) The department shall periodically review a local board's resource allocations to support school improvement and provide technical assistance to the local school board; and

(b) The department may provide a recommended list of turnaround or school intervention providers that have demonstrated success implementing evidence-based strategies.

If, in the course of a school audit, the audit team identifies information suggesting that a violation of KRS 160.345(9)(a) may have occurred, the commissioner of education shall forward the evidence to the Office of Education Accountability for investigation.

A school's right to establish a council granted under KRS 160.345 may be
restored by the local board of education two (2) years after the school exits
comprehensive support and improvement status.

➤ Section 3. KRS 156.160 is amended to read as follows:

(1) With the advice of the Local Superintendents Advisory Council, the Kentucky
Board of Education shall promulgate administrative regulations establishing
standards which school districts shall meet in student, program, service, and
operational performance. These regulations shall comply with the expected
outcomes for students and schools set forth in KRS 158.6451. Administrative
regulations shall be promulgated for the following:

(a) Courses of study for the different grades and kinds of common schools
    identifying the common curriculum content directly tied to the goals,
    outcomes, and assessment strategies developed under KRS 158.645,
    158.6451, and 158.6453 and distributed to local school districts and schools.
    The administrative regulations shall provide that:

    1. If a school offers American sign language, the course shall be accepted
       as meeting the foreign language requirements in common schools
       notwithstanding other provisions of law;

    2. If a school offers the Reserve Officers Training Corps program, the
       course shall be accepted as meeting the physical education requirement
       for high school graduation notwithstanding other provisions of law; and

    3. Every public middle and high school's curriculum shall include
       instruction on the Holocaust and other cases of genocide, as defined by
       the United Nations Convention on the Prevention and Punishment of the
       Crime of Genocide, that a court of competent jurisdiction, whether a
       court in the United States or the International Court of Justice, has
       determined to have been committed by applying rigorous standards of
       due process;
(b) Courses of study or educational experiences available to students in all middle and high schools to fulfill the prerequisites for courses in advanced science and mathematics as defined in KRS 158.845;
(c) The acquisition and use of educational equipment for the schools as recommended by the Council for Education Technology;
(d) The minimum requirements for high school graduation in light of the expected outcomes for students and schools set forth in KRS 158.6451. **The minimum requirements shall not include achieving any postsecondary readiness indicator as described in Section 1 of this Act or any minimum score on a statewide assessment administered under Section 6 of this Act.** Student scores from any assessment administered under KRS 158.6453 that are determined by the National Technical Advisory Panel to be valid and reliable at the individual level shall be included on the student transcript. The National Technical Advisory Panel shall submit its determination to the commissioner of education and the Legislative Research Commission;
(e) The requirements for an alternative high school diploma for students with disabilities whose individualized education program indicates that, in accordance with 20 U.S.C. sec. 1414(d)(1)(A):
1. The student cannot participate in the regular statewide assessment; and
2. An appropriate alternate assessment has been selected for the student based upon a modified curriculum and an individualized course of study;
(f) Taking and keeping a school census, and the forms, blanks, and software to be used in taking and keeping the census and in compiling the required reports. The board shall create a statewide student identification numbering system based on students' Social Security numbers. The system shall provide a student identification number similar to, but distinct from, the Social Security number, for each student who does not have a Social Security number or
whose parents or guardians choose not to disclose the Social Security number
for the student;

(g) Sanitary and protective construction of public school buildings, toilets,
physical equipment of school grounds, school buildings, and classrooms. With
respect to physical standards of sanitary and protective construction for school
buildings, the Kentucky Board of Education shall adopt the Uniform State
Building Code;

(h) Medical inspection, physical and health education and recreation, and other
regulations necessary or advisable for the protection of the physical welfare
and safety of the public school children. The administrative regulations shall
set requirements for student health standards to be met by all students in
grades four (4), eight (8), and twelve (12) pursuant to the outcomes described
in KRS 158.6451. The administrative regulations shall permit a student who
received a physical examination no more than six (6) months prior to his
initial admission to Head Start to substitute that physical examination for the
physical examination required by the Kentucky Board of Education of all
students upon initial admission to the public schools, if the physical
examination given in the Head Start program meets all the requirements of the
physical examinations prescribed by the Kentucky Board of Education;

(i) A vision examination by an optometrist or ophthalmologist that shall be
required by the Kentucky Board of Education. The administrative regulations
shall require evidence that a vision examination that meets the criteria
prescribed by the Kentucky Board of Education has been performed. This
evidence shall be submitted to the school no later than January 1 of the first
year that a three (3), four (4), five (5), or six (6) year-old child is enrolled in a
public school, public preschool, or Head Start program;

(j) 1. Beginning with the 2010-2011 school year, a dental screening or
examination by a dentist, dental hygienist, physician, registered nurse, advanced practice registered nurse, or physician assistant that shall be required by the Kentucky Board of Education. The administrative regulations shall require evidence that a dental screening or examination that meets the criteria prescribed by the Kentucky Board of Education has been performed. This evidence shall be submitted to the school no later than January 1 of the first year that a five (5) or six (6) year-old child is enrolled in a public school.

2. A child shall be referred to a licensed dentist if a dental screening or examination performed by anyone other than a licensed dentist identifies the possibility of dental disease;

(k) The transportation of children to and from school;

(l) The fixing of holidays on which schools may be closed and special days to be observed, and the pay of teachers during absence because of sickness or quarantine or when the schools are closed because of quarantine;

(m) The preparation of budgets and salary schedules for the several school districts under the management and control of the Kentucky Board of Education;

(n) A uniform series of forms and blanks, educational and financial, including forms of contracts, for use in the several school districts;

(o) The disposal of real and personal property owned by local boards of education; and

(p) The development and implementation of procedures, for all students who are homeless children and youths as defined in 42 U.S.C. sec. 11434a(2), to do the following:

1. Awarding and accepting of credit, including partial credit, for all coursework satisfactorily completed by a student while enrolled at another school;
2. Allowing a student who was previously enrolled in a course required for graduation the opportunity, to the extent practicable, to complete the course, at no cost to the student, before the beginning of the next school year;

3. Awarding a diploma, at the student's request, by a district from which the student transferred, if the student transfers schools at any time after the completion of the student's second year of high school and the student is ineligible to graduate from the district to which the student transfers, but meets the graduation requirements of the district from which the student transferred; and

4. Exempting the student from all coursework and other requirements imposed by the local board of education that are in addition to the minimum requirements for high school graduation established by the Kentucky Board of Education pursuant to paragraph (d) of this subsection in the district to which the student transfers, if the student transfers schools at any time after the completion of the student's second year of high school and the student is ineligible to graduate both from the district to which the student transfers and the district from which the student transferred.

(a) At the request of a local board of education or a school council, a local school district superintendent shall request that the Kentucky Board of Education waive any administrative regulation promulgated by that board. Beginning in the 1996-97 school year, a request for waiver of any administrative regulation shall be submitted to the Kentucky Board of Education in writing with appropriate justification for the waiver. The Kentucky Board of Education may approve the request when the school district or school has demonstrated circumstances that may include but are not limited to the following:
1. An alternative approach will achieve the same result required by the administrative regulation;
2. Implementation of the administrative regulation will cause a hardship on the school district or school or jeopardize the continuation or development of programs; or
3. There is a finding of good cause for the waiver.

(b) The following shall not be subject to waiver:
1. Administrative regulations relating to health and safety;
2. Administrative regulations relating to civil rights;
3. Administrative regulations required by federal law; and
4. Administrative regulations promulgated in accordance with KRS 158.6451, 158.6453, 158.6455, and this section, relating to measurement of performance outcomes and determination of successful districts or schools, except upon issues relating to the grade configuration of schools.

(c) Any waiver granted under this subsection shall be subject to revocation upon a determination by the Kentucky Board of Education that the school district or school holding the waiver has subsequently failed to meet the intent of the waiver.

(3) Any private, parochial, or church school may voluntarily comply with curriculum, certification, and textbook standards established by the Kentucky Board of Education and be certified upon application to the board by such schools.

(4) Any public school that violates the provisions of KRS 158.854 shall be subject to a penalty to be assessed by the commissioner of education as follows:

(a) The first violation shall result in a fine of no less than one (1) week's revenue from the sale of the competitive food;

(b) Subsequent violations shall result in a fine of no less than one (1) month's
revenue from the sale of the competitive food;

(c) "Habitual violations," which means five (5) or more violations within a six (6) month period, shall result in a six (6) month ban on competitive food sales for the violating school; and

(d) Revenue collected as a result of the fines in this subsection shall be transferred to the food service fund of the local school district.

Section 4. KRS 158.140 is amended to read as follows:

(1) When a pupil in any public elementary school or any approved private or parochial school completes the prescribed elementary program of studies, he is entitled to a certificate of completion signed by the teacher or teachers under whom the program was completed. The certificate shall entitle the pupil to admission into any public high school. Any promotions or credits earned in attendance in any approved public school are valid in any other public school to which a pupil may go, but the superintendent or principal of a school, as the case may be, may assign the pupil to the class or grade to which the pupil is best suited. In case a pupil transfers from the school of one (1) district to the school of another district, an assignment to a lower grade or course shall not be made until the pupil has demonstrated that he is not suited for the work in the grade or course to which he has been promoted.

(2) Upon successful completion of all state and local board requirements, the student shall receive:

(a) A diploma indicating graduation from high school; or

(b) An alternative high school diploma if the student has a disability and has completed a modified curriculum and an individualized course of study pursuant to requirements established by the Kentucky Board of Education in accordance with KRS 156.160.

(3) (a) The Gatton Academy of Mathematics and Science in Kentucky, located at Western Kentucky University, and the Craft Academy for Excellence in
Science and Mathematics, located at Morehead State University, may award a
diploma to any student who completes his or her high school program at the
respective academy. If the academy issues a diploma, the board of regents of
the host university shall provide to the commissioner of education a letter of
assurance that the program of study completed by its students, in combination
with previously earned secondary credits, meets the minimum high school
graduation requirements established by the Kentucky Board of Education
under KRS 156.160(1)(d).

(b) A local school district may award a joint diploma with the Gatton Academy of
Mathematics and Science in Kentucky or the Craft Academy for Excellence in
Science and Mathematics to any student who was enrolled in a district high
school and completed his or her high school program at the respective
academy.

(c) The respective academy and the home school district shall ensure that student
transcripts from each institution accurately reflect the dual credit coursework.

(4) A local school board may award a diploma indicating graduation from high school
to any student posthumously with the high school class the student was expected to
graduate.

(5) (a) A local board of education shall award an authentic high school diploma to an
honorably discharged veteran who did not complete high school prior to being
inducted into the United States Armed Forces during:

1. World War II, as defined in KRS 40.010;
2. The Korean conflict, as defined in KRS 40.010; or
3. The Vietnam War. As used in this paragraph, "Vietnam War" means the
   period beginning August 5, 1964, and ending May 7, 1975. However,
   for a member of the United States Armed Forces serving in Vietnam
   prior to August 5, 1964, the period shall begin February 28, 1961.
(b) Upon recommendation of the commissioner, the Kentucky Board of
Education in consultation with the Kentucky Department of Veterans' Affairs
shall promulgate administrative regulations to establish the guidelines for
awarding the authentic diplomas referred to in paragraph (a) of this
subsection.

(6) Any high school graduation requirements adopted by a local board shall not
include achieving a minimum score on a statewide assessment administered
under Section 6 of this Act.

(7) The Department of Education shall establish the requirements for a vocational
certificate of completion. A student who has returned to school after dropping out
shall receive counseling concerning the vocational program. A student who has
completed the requirements established for a vocational program shall receive a
vocational certificate of completion specifying the areas of competence.

Section 5. KRS 160.1594 is amended to read as follows:

(1) A public charter school authorizer shall:

(a) Fulfill the expectations and intent of this section and KRS 160.1590 to
160.1599 and 161.141;

(b) Demonstrate public accountability and transparency in all matters concerning
its charter-authorizing practices, decisions, and expenditures;

(c) Solicit, invite, and evaluate applications from applicants;

(d) Approve new and renewal charter applications that meet the requirements of
this section and KRS 160.1593;

(e) Decline to approve charter applications that:

   1. Fail to meet the requirements of this section and KRS 160.1593; or

   2. Are for a school that would be wholly or partly under the control or
direction of any religious denomination;

(f) Negotiate and execute in good faith a charter contract with each public charter
school it authorizes;

(g) Monitor the performance and compliance of public charter schools according to the terms of the charter contract;

(h) Determine whether each charter contract it authorizes merits renewal or revocation; and

(i) Establish and maintain policies and practices consistent with the principles and professional standards for authorizers of public charter schools, including standards relating to:

1. Organizational capacity and infrastructure;

2. Soliciting and evaluating applications;

3. Performance contracting;

4. Ongoing public charter school oversight and evaluation; and

5. Charter approval, renewal, and revocation decision making.

(2) In reviewing applications, the public charter school authorizer is encouraged to give preference to applications that demonstrate the intent, capacity, and capability to provide comprehensive learning experiences to:

(a) Students identified by the applicants as at risk of academic failure; and

(b) Students with special needs as identified in their individualized education program as defined in KRS 158.281.

(3) After a charter applicant submits a written application to establish a public charter school, the authorizer shall:

(a) Complete a thorough review process;

(b) Conduct an in-person interview with the applicant group;

(c) Provide an opportunity in a public forum for local residents to provide input and learn about the charter application;

(d) Provide a detailed analysis of the application to the applicant or applicants;

(e) Allow an applicant a reasonable time to provide additional materials and
amendments to its application to address any identified deficiencies; and

(f) Approve or deny a charter application based on established objective criteria or request additional information.

(4) In deciding to approve a charter application, the authorizer shall:

(a) Grant charters only to applicants that possess competence in all elements of the application requirements identified in this section and KRS 160.1593;

(b) Base decisions on documented evidence collected through the application review process; and

(c) Follow charter-granting policies and practices that are transparent, based on merit, and avoid conflicts of interest.

(5) No later than sixty (60) days following the filing of the charter application, the authorizer shall approve or deny the charter application. The authorizer shall adopt by resolution all charter approval or denial decisions in an open meeting of the authorizer's board of directors.

(6) Any failure to act on a charter application shall be deemed a denial by the authorizer.

(7) An application shall be approved if the public charter school authorizer finds that:

(a) The public charter school described in the application meets the requirements established by this section and KRS 160.1590 and 160.1592;

(b) The applicant demonstrates the ability to operate the school in an educationally and fiscally sound manner; and

(c) Approving the application is likely to improve student learning and achievement and further the purposes established by KRS 160.1591.

(8) An authorizer shall provide a written explanation within five (5) days, for the public record, stating its reasons for approval or denial of a charter application, including a thorough explanation of how the charter application either meets or fails to meet established objective criteria for making charter application decisions, and the
authorizing process which the authorizer used to review, evaluate, and make its final decision.

(9) An authorizer's charter application approval shall be submitted to the Kentucky Department of Education for final approval by the commissioner of education.

(10) When an authorizer that is a local school board or a collaborative of local school boards receives a charter school application, any member of the board or boards who has not received charter authorization training within twelve (12) months immediately preceding the date the application was received shall receive six (6) hours of in-service training prior to evaluating the charter application. Except for training provided prior to the effective date of this Act, the training shall be in addition to the annual in-service training required under KRS 160.180, and each board shall select the trainer to deliver the training to its members. Charter authorizer training shall not be required of any local school board member until a charter application is submitted to the board or boards.

Section 6. KRS 158.6453 is amended to read as follows:

(1) As used in this section:

(a) "Accelerated learning" means an organized way of helping students meet individual academic goals by providing direct instruction to eliminate student performance deficiencies or enable students to move more quickly through course requirements and pursue higher level skill development;

(b) "Constructed-response items" or "performance-based items" means individual test items that require the student to create an answer rather than select a response and may include fill-in-the-blank, short-answer, extended-answer, open-response, and writing-on-demand formats;

(c) "Criterion-referenced test" means a test that is aligned with defined academic content standards and measures an individual student's level of performance against the standards;
(d) "End-of-course examination" means the same as defined in KRS 158.860;

(e) "Formative assessment" means a process used by teachers and students during instruction to adjust ongoing teaching and learning to improve students' achievement of intended instructional outcomes. Formative assessments may include the use of commercial assessments, classroom observations, teacher-designed classroom tests and assessments, and other processes and assignments to gain information about individual student learning;

(f) "Interim assessments" means assessments that are given periodically throughout the year to provide diagnostic information and to show individual student performance against content standards;

(g) "Summative assessment" means an assessment given at the end of the school year, semester, or other period of time to evaluate students' performance against content standards within a unit of instruction or a course; and

(h) "Writing" means a purposeful act of thinking and expression that uses language to explore ideas and communicate meaning to others. Writing is a complex, multifaceted act of communication.

(2) (a) Beginning in fiscal year 2017-2018, and every six (6) years thereafter, the Kentucky Department of Education shall implement a process for reviewing Kentucky's academic standards and the alignment of corresponding assessments for possible revision or replacement to ensure alignment with transition readiness standards necessary for global competitiveness and with state career and technical education standards.

(b) The revisions to the content standards shall:

1. Focus on critical knowledge, skills, and capacities needed for success in the global economy;

2. Result in fewer but more in-depth standards to facilitate mastery learning;
3. Communicate expectations more clearly and concisely to teachers, parents, students, and citizens;
4. Be based on evidence-based research;
5. Consider international benchmarks; and
6. Ensure that the standards are aligned from elementary to high school to postsecondary education so that students can be successful at each education level.

(c) 1. The department shall establish four (4) standards and assessments review committees, with each committee composed of a minimum of six (6) Kentucky public school teachers and a minimum of two (2) representatives from Kentucky institutions of higher education, including at least one (1) representative from a public institution of higher education. Each committee member shall teach in the subject area that his or her committee is assigned to review and have no prior or current affiliation with a curriculum or assessment resources vendor.
2. One (1) of the four (4) committees shall be assigned to focus on the review of language arts and writing academic standards and assessments, one (1) on the review of mathematics academic standards and assessments, one (1) on the review of science academic standards and assessments, and one (1) on the review of social studies academic standards and assessments.

(d) 1. The department shall establish twelve (12) advisory panels to advise and assist each of the four (4) standards and assessments review committees.
2. Three (3) advisory panels shall be assigned to each standards and assessments review committee. One (1) panel shall review the standards and assessments for kindergarten through grade five (5), one (1) shall review the standards and assessments for grades six (6) through eight
(8), and one (1) shall review the standards and assessments for grades nine (9) through twelve (12).

3. Each advisory panel shall be composed of at least one (1) representative from a Kentucky institution of higher education and a minimum of six (6) Kentucky public school teachers who teach in the grade level and subject reviewed by the advisory panel to which they are assigned and have no prior or current affiliation with a curriculum or assessment resources vendor.

(e) The commissioner of education and the president of the Council on Postsecondary Education shall also provide consultants for the standards and assessments review committees and the advisory panels who are business and industry professionals actively engaged in career fields that depend on the various content areas.

(f) 1. The standards and assessments process review committee is hereby established and shall be composed of the commissioner of education or designee as a nonvoting member and nine (9) voting representatives of public schools, of whom at least two (2) shall be parents of public school students, appointed by the Governor and confirmed by the Senate in accordance with KRS 11.160 as follows:

   a. One (1) language arts teacher;
   b. One (1) math teacher;
   c. One (1) science teacher;
   d. One (1) social studies teacher;
   e. Two (2) school principals;
   f. Two (2) school superintendents; and
   g. One (1) school board member.

2. On making appointments to the committee, the Governor shall ensure
broad geographical urban and rural representation and representation of
elementary, middle, and high school levels; ensure equal representation
of the two (2) sexes, inasmuch as possible; and ensure that appointments
reflect the minority racial composition of the Commonwealth.

3. The review of the committee shall be limited to the procedural aspects
of the review process undertaken prior to its consideration.

4. Notwithstanding KRS 12.028, the committee shall not be subject to
reorganization by the Governor.

(g) 1. The review process implemented under this subsection shall be an open,
transparent process that allows all Kentuckians an opportunity to
participate. The department shall ensure the public's assistance in
reviewing and suggesting changes to the standards and alignment
adjustments to corresponding state assessments by establishing a Web
site dedicated to collecting comments by the public and educators. An
independent third party, which has no prior or current affiliation with a
curriculum or assessment resources vendor, shall be selected by the
department to collect and transmit the comments to the department for
dissemination to the appropriate advisory panel for review and
consideration.

2. Each advisory panel shall review the standards and assessments for its
assigned subject matter and grade level and the suggestions made by the
public and educators. After completing its review, each advisory panel
shall make recommendations for changes to the standards and alignment
adjustments for assessments to the appropriate standards and
assessments review committee.

3. Each standards and assessments review committee shall review the
findings and make recommendations to revise or replace existing
standards and to adjust alignment of assessments.

4. The recommendations shall be published on the Web site established in this subsection for the purpose of gathering additional feedback from the public. The commissioner shall subsequently present the recommendations and the public feedback to the Interim Joint Committee on Education.

5. The commissioner shall subsequently provide a report to the standards and assessments process review committee summarizing the process conducted under this subsection and the resulting recommendations. The report shall include but not be limited to the timeline of the review process, public feedback, and responses from the Interim Joint Committee on Education.

6. After receiving the commissioner's report, the standards and assessments process review committee shall either concur that stakeholders have had adequate opportunity to provide input on standards and the corresponding alignment of state assessments or find the input process deficient. If the process is found deficient, the recommendations may be returned to the appropriate standards and assessments review committee for review as described in subparagraph 3. of this paragraph. If the process is found sufficient, the recommendations shall be forwarded without amendment to the Kentucky Board of Education.

(h) The Kentucky Board of Education shall promulgate administrative regulations in accordance with KRS Chapter 13A as may be needed for the administration of the review process, including staggering the timing and sequence of the review process by subject area and remuneration of the review committees and advisory panels described in paragraphs (c) and (d) of this subsection.

(i) 1. The Kentucky Board of Education shall consider for approval the
revisions to academic standards for a content area and the alignment of
the corresponding state assessment once recommendations are received
from the standards and assessments process review committee. Existing
state academic standards shall remain in place until the board approves
new standards.

2. Any revision to, or replacement of, the academic standards and
assessments as a result of the review process conducted under this
subsection shall be implemented in Kentucky public schools no later
than the second academic year following the review process. Existing
academic standards shall be used until new standards are implemented.

3. The Department of Education shall disseminate the academic content
standards to the schools and teacher preparation programs.

(j) The Department of Education shall provide or facilitate statewide training
sessions for existing teachers and administrators on how to:

1. Integrate the revised content standards into classroom instruction;

2. Better integrate performance assessment of students within their
   instructional practices; and

3. Help all students use higher-order thinking and communication skills.

(k) The Education Professional Standards Board in cooperation with the
Kentucky Board of Education and the Council on Postsecondary Education
shall coordinate information and training sessions for faculty and staff in all of
the teacher preparation programs in the use of the revised academic content
standards. The Education Professional Standards Board shall ensure that each
teacher preparation program includes use of the academic standards in the pre-
service education programs and that all teacher interns will have experience
planning classroom instruction based on the revised standards.

(l) The Council on Postsecondary Education in cooperation with the Kentucky
Department of Education and the postsecondary education institutions in the state shall coordinate information sessions regarding the academic content standards for faculty who teach in the various content areas.

(3) (a) The Kentucky Board of Education shall be responsible for creating and implementing a balanced statewide assessment program that measures the students', schools', and districts' achievement of the goals set forth in KRS 158.645 and 158.6451, to ensure compliance with the federal Every Student Succeeds Act of 2015, Pub. L. No. 114-95, or its successor, and to ensure school accountability.

(b) The board shall revise the annual statewide assessment program as needed in accordance with revised academic standards and corresponding assessment alignment adjustments approved by the board under subsection (2) of this section.

(c) The statewide assessments shall not include any academic standards not approved by the board under subsection (2) of this section.

(d) The board shall seek the advice of the Office of Education Accountability; the School Curriculum, Assessment, and Accountability Council; the Education Assessment and Accountability Review Subcommittee, and the National Technical Advisory Panel on Assessment and Accountability in the development of the assessment program. The statewide assessment program shall not include measurement of a student's ability to become a self-sufficient individual or to become a responsible member of a family, work group, or community.

(4) (a) The academic components of the statewide assessment program shall be composed of annual student summative tests, which may include a combination of multiple competency-based assessment and performance measures approved by the Kentucky Board of Education.
(b) The annual student summative tests shall:

1. Measure individual student achievement in language, reading, English, mathematics, science, and social studies at designated grades;
2. Provide teachers and parents a valid and reliable comprehensive analysis of skills mastered by individual students;
3. Provide diagnostic information that identifies strengths and academic deficiencies of individual students in the content areas;
4. Provide information to teachers that can enable them to improve instruction for current and future students;
5. Provide longitudinal profiles for students; and
6. Ensure school and district accountability for student achievement of the goals set forth in KRS 158.645 and 158.6451, except the statewide assessment program shall not include measurement of a student's ability to become a self-sufficient individual or to become a responsible member of a family, work group, or community.

(5) The state student assessments shall include the following components:

(a) Elementary and middle grades requirements are:

1. A criterion-referenced test each in mathematics and reading in grades three (3) through eight (8) that is valid and reliable for an individual student and that measures the depth and breadth of Kentucky's academic content standards;
2. A criterion-referenced test each in science and social studies that is valid and reliable for an individual student as necessary to measure the depth and breadth of Kentucky's academic content standards to be administered one (1) time within the elementary and middle grades, respectively;
3. An on-demand assessment of student writing to be administered one (1)
time within the elementary grades and one (1) time within the middle
grades; and

4. An editing and mechanics test relating to writing, using multiple choice
and constructed response items, to be administered one (1) time within
the elementary and the middle grades, respectively;

(b) High school requirements are:

1. A criterion-referenced test in mathematics, reading, and science that is
valid and reliable for an individual student and that measures the depth
and breadth of Kentucky's academic content standards to be
administered one (1) time within the high school grades;

2. A criterion-referenced test in social studies that is valid and reliable for
an individual student as necessary to measure the depth and breadth of
Kentucky's academic content standards to be administered one (1) time
within the high school grades;

3. An on-demand assessment of student writing to be administered one (1)
time within the high school grades;

4. An editing and mechanics test relating to writing, using multiple choice
and constructed response items, to be administered one (1) time within
the high school grades; and

5. A college admissions examination to assess English, reading,
mathematics, and science in the spring of grade ten (10) and the spring
of grade eleven (11);

(c) The Kentucky Board of Education shall add any other component necessary to
comply with the Every Student Succeeds Act of 2015, Pub. L. No. 114-95, or
its successor, as determined by the United States Department of Education;

(d) The criterion-referenced components required in this subsection shall be
composed of constructed response items and multiple choice items;
(e) The Kentucky Board of Education may incorporate end-of-course examinations into the assessment program to be used in lieu of requirements for criterion-referenced tests required under paragraph (b) of this subsection; and

(f) The results of the assessment program developed under this subsection shall be used by schools and districts to determine appropriate instructional modifications for all students in order for students to make continuous progress, including that needed by advanced learners.

(6) Each school district shall administer the statewide student assessment during the last fourteen (14) days of school in the district's instructional calendar. The Kentucky Board of Education may change the testing window to allow for innovative assessment systems or other online test administration and shall promulgate administrative regulations that minimize the number of days of testing and outline the procedures to be used during the testing process to ensure test security, including procedures for testing makeup days, and to comply with federal assessment requirements.

(7) A student enrolled in a district-operated or district-contracted alternative program shall participate in the appropriate assessments required by this section.

(8) A local school district may select and use commercial interim or formative assessments or develop and use its own formative assessments to provide data on how well its students are growing toward mastery of Kentucky academic standards, so long as the district's local school board develops a policy minimizing the reduction in instructional time related to the administration of the interim assessments. Nothing in this section precludes teachers from using ongoing teacher-developed formative processes.

(9) Each school that enrolls primary students shall use diagnostic assessments and prompts that measure readiness in reading and mathematics for its primary students
as determined by the school to be developmentally appropriate. The schools may use commercial products, use products and procedures developed by the district, or develop their own diagnostic procedures. The results shall be used to inform the teachers and parents or guardians of each student's skill level.

(10) The state board shall ensure that a technically sound longitudinal comparison of the assessment results for the same students shall be made available.

(11) The following provisions shall apply to the college admissions examinations described in subsection (5)(b)5. of this section:

(a) The cost of both college admissions examinations administered to students in high school shall be paid for by the Kentucky Department of Education. The costs of additional college admissions examinations shall be the responsibility of the student;

(b) If funds are available, the Kentucky Department of Education shall provide a college admissions examination preparation program to all public high school juniors. The department may contract for necessary services; and

(c) Accommodations provided to a student with a disability taking the college admissions assessments under this subsection shall consist of:

1. Accommodations provided in a manner allowed by the college admissions assessment provider when results in test scores are reportable to a postsecondary institution for admissions and placement purposes, except as provided in subparagraph 2. of this paragraph; or

2. Accommodations provided in a manner allowed by a student's individualized education program as defined in KRS 158.281 for a student whose disability precludes valid assessment of his or her academic abilities using the accommodations provided under subparagraph 1. of this paragraph when the student's scores are not reportable to a postsecondary institution for admissions and placement
purposes.

(12) Kentucky teachers shall have a significant role in providing feedback about the design of the assessments, except for the college admissions exams described in subsection (5)(b)5. of this section. The assessments shall be designed to:

(a) Measure grade appropriate core academic content, basic skills, and higher-order thinking skills and their application;

(b) Provide valid and reliable scores for schools. If scores are reported for students individually, they shall be valid and reliable;

(c) Minimize the time spent by teachers and students on assessment; and

(d) Assess Kentucky academic standards only.

(13) The results from assessment under subsections (3) and (5) of this section shall be reported to the school districts and schools no later than seventy-five (75) days following the last day the assessment can be administered. Assessment reports provided to the school districts and schools shall include an electronic copy of an operational subset of test items from each assessment administered to their students and the results for each of those test items by student and by school.

(14) The Department of Education shall gather information to establish the validity of the assessment and accountability program. It shall develop a biennial plan for validation studies that shall include but not be limited to the consistency of student results across multiple measures, the congruence of school scores with documented improvements in instructional practice and the school learning environment, and the potential for all scores to yield fair, consistent, and accurate student performance level and school accountability decisions. Validation activities shall take place in a timely manner and shall include a review of the accuracy of scores assigned to students and schools, as well as of the testing materials. The plan shall be submitted to the Commission by July 1 of the first year of each biennium. A summary of the findings shall be submitted to the Legislative Research Commission by September 1
of the second year of the biennium.

(15) The Department of Education and the state board shall offer optional assistance to local school districts and schools in developing and using continuous assessment strategies needed to assure student progress. The continuous assessment shall provide diagnostic information to improve instruction to meet the needs of individual students.

(16) The Administration Code for Kentucky's Assessment Program shall include prohibitions of inappropriate test preparation activities by school district employees charged with test administration and oversight, including but not limited to the issue of teachers being required to do test practice in lieu of regular classroom instruction and test practice outside the normal work day. The code shall include disciplinary sanctions that may be taken toward a school or individuals.

(17) The Kentucky Board of Education, after the Department of Education has received advice from the Office of Education Accountability; the School Curriculum, Assessment, and Accountability Council; and the National Technical Advisory Panel on Assessment and Accountability, shall promulgate an administrative regulation under KRS Chapter 13A to establish the components of a reporting structure for assessments administered under this section. The reporting structure shall include the following components:

(a) A school report card that clearly communicates with parents and the public about school performance. The school report card shall be sent to the parents of the students of the districts, and information on electronic access to a summary of the results for the district shall be published in the newspaper with the largest circulation in the county. It shall include but not be limited to the following components reported by race, gender, and disability when appropriate:

1. Student academic achievement, including the results from each of the
assessments administered under this section;

2. For Advanced Placement, Cambridge Advanced International, and International Baccalaureate, the courses offered, the number of students enrolled, completing, and taking the examination for each course, and the percentage of examinees receiving a score of three (3) or better on AP examinations, a score of "e" or better on Cambridge Advanced International examinations, or a score of four (4) or five (5) or better on IB examinations. The data shall be disaggregated by gender, race, students with disabilities, and economic status;

3. Nonacademic achievement, including the school's attendance, retention, graduation rates, and student transition to postsecondary;

4. School learning environment, including measures of parental involvement; and

5. Any other school performance data required by the Every Student Succeeds Act of 2015, Pub. L. No. 114-95, or its successor;

(b) An individual student report to parents for each student in grades three (3) through eight (8) summarizing the student's skills in reading, science, social studies, and mathematics. The school's staff shall develop a plan for accelerated learning for any student with identified deficiencies or strengths; and

(c) A student's highest scores on the college admissions assessments administered under subsection (5)(b)5. of this section.

(18) (a) Beginning in fiscal year 2017-2018, and every six (6) years thereafter, the Kentucky Department of Education shall implement a comprehensive process for reviewing and revising the academic standards in visual and performing arts and practical living skills and career studies for all levels and in foreign language for middle and high schools. The department shall develop review
committees for the standards for each of the content areas that include
representation from certified specialist public school teachers and
postsecondary teachers in those subject areas.

(b) The academic standards in practical living skills for elementary, middle, and
high school levels shall include a focus on drug abuse prevention, with an
emphasis on the prescription drug epidemic and the connection between
prescription opioid abuse and addiction to other drugs, such as heroin and
synthetic drugs.

c) The department shall provide to all schools guidelines for programs that
incorporate the adopted academic standards in visual and performing arts and
practical living and career studies. The department shall provide to middle and
high schools guidelines for including a foreign language program. The
guidelines shall address program length and time, courses offered, staffing,
resources, and facilities.

d) The Kentucky Department of Education, in consultation with certified public
school teachers of visual and performing arts, may develop program standards
for the visual and performing arts.

(19) The Kentucky Department of Education shall provide to all schools guidelines for
including an effective writing program within the curriculum. Each school-based
decision making council or, if there is no school council, a committee appointed by
the principal, shall adopt policies that determine the writing program for its school
and submit it to the Department of Education for review and comment. The writing
program shall incorporate a variety of language resources, technological tools, and
multiple opportunities for students to develop complex communication skills for a
variety of purposes.

(20) (a) The Kentucky Department of Education, in consultation with the review
committees described in subsection (18) of this section, shall develop a school
profile report to be used by all schools to document how they will address the
adopted academic standards in their implementation of the programs as
described in subsection (18) of this section, which may include student
opportunities and experiences in extracurricular activities. The department
shall include the essential workplace ethics program on the school profile
report.

(b) By October 1 of each year, each school principal shall complete the school
profile report, which shall be signed by the members of the school council, or
the principal if no school council exists, and the superintendent. The report
shall be electronically transmitted to the Kentucky Department of Education,
and the original shall be maintained on file at the local board office and made
available to the public upon request. The department shall include a link to
each school's profile report on its Web site.

(c) If a school staff member, student, or a student's parent has concerns regarding
deficiencies in a school's implementation of the programs described in
subsection (18) of this section, he or she may submit a written inquiry to the
school council.

Section 7. KRS 158.649 is amended to read as follows:

(1) "Achievement gap" means the difference between performance goals and actual
performance [a substantive performance difference] on each of the tested areas by
grade level of the state assessment program for each of the various
subgroups of students as described in the Every Student Succeeds Act of 2015, Pub.
L. No. 114-95, or its successor, including male and female students, students with
and without disabilities, students with and without English proficiency, minority
and nonminority students, and students who are eligible for free and reduced lunch
and those who are not eligible for free and reduced lunch.

(2) By October 1 of each year, the Department of Education shall provide each school
council, or the principal if a school council does not exist, data on its students' performance as shown by the state assessment program described in KRS 158.6453. The data shall include, but not be limited to, information on performance levels of all students tested, and information on the performance of students disaggregated by race, gender, disability, English proficiency, and participation in the federal free and reduced price lunch program, and any other subgroups as described in the Every Student Succeeds Act of 2015, Pub. L. No. 114-95, or its successor. The information from the department shall include an equity analysis that shall identify the substantive differences among the various groups of students identified in subsection (1) of this section. Beginning with the 2012-2013 school year, the reporting requirement in this subsection shall be no later than seventy-five (75) days following the first day the assessment can be administered.

(3) Each local board of education upon the recommendation of the local district superintendent shall adopt a policy for reviewing the academic performance on the state assessments required under KRS 158.6453 for various groups of students, including major racial groups, gender, disability, free and reduced price school lunch eligibility, and limited English proficiency. The local board policy shall be consistent with Kentucky Board of Education administrative regulations. Upon agreement of the school-based decision making council, or the principal if there is not a council, and the superintendent, the local board shall establish an annual target for each school for reducing identified gaps in achievement as set out in subsection (4) of this section.

(4) By February 1 of each year, the school-based decision making council, or the principal if there is not a council, with the involvement of parents, faculty, and staff shall set the school's targets for eliminating any achievement gap and submit them to the superintendent for consideration. The superintendent and the school-based decision making council, or the principal if there is not a council, shall agree on the
targets before they are submitted to the local board of education for adoption.

(5) By January 1 of each year, the school council, or the principal if a school council does not exist, with the involvement of parents, faculty, and staff, shall review the data and revise the school improvement plan to include the targets, strategies, activities, and a time schedule calculated to eliminate the achievement gap among various groups of students to the extent it may exist. The plan shall include but not be limited to activities designed to address the following areas:

(a) Curriculum alignment within the school and with schools that send or receive the school's students;

(b) Evaluation and assessment strategies to continuously monitor and modify instruction to meet student needs and support proficient student work;

(c) Professional development to address the goals of the plan;

(d) Parental communication and involvement;

(e) Attendance improvement and dropout prevention; and

(f) Technical assistance that will be accessed.

(6) The principal shall convene a public meeting at the school to present and discuss the plan prior to submitting it to the superintendent and the local board of education for review, in the public meeting required under KRS 160.340.

(7) Based on the disaggregated assessment results, the local board shall determine if each school achieved its targets for each group of students. Only data for a group of students including ten (10) or more students shall be considered.

(8) Notwithstanding KRS 160.345(8) and 158.070(8), if a local board determines that a school has not met its target to reduce the identified gap in student achievement for a group of students, the local board shall require the council, or the principal if no council exists, to submit its revisions to the school improvement plan describing the use of professional development funds and funds allocated for continuing education to reduce the school's achievement gap for review and approval by the
superintendent. The plan shall address how the school will meet the academic needs
of the students in the various groups identified in subsection (1) of this section.

(9) The superintendent shall report to the local school board and the commissioner of
education if a school fails to meet its targets in any academic content area to reduce
the gap in student achievement for any student group for two (2) consecutive years.
The school's improvement plan shall be subject to review and approval by the
Kentucky Department of Education and the school shall submit an annual status
report. The Department of Education may provide assistance as defined in KRS
160.346 to schools as it deems necessary to assist the school in meeting its goals.

(10) The school-based decision making council, or the principal if there is not a council,
shall no longer be required to seek approval of the plan under subsections (8) and
(9) of this section when it meets its target for reducing the gap in student
achievement for the various groups of students identified in subsection (1) of this
section.

Section 8. KRS 157.077 is amended to read as follows:

(1) As used in this section "summer learning program" and "summer learning camp"
mean the program and camps established by KRS 158.865 to 158.867.

(2) To the extent funds are appropriated by the General Assembly to support summer
learning programs, those funds shall be distributed to each local district operating a
summer learning program each year based on the average daily membership of the
district's summer learning camps for that year. In addition, any funds appropriated
to support transportation of students to summer learning camps, shall be distributed
based on the previous year per pupil calculation as determined under KRS 157.370.

(3) (a) Each school district operating a summer learning program shall establish and
maintain a separate fund for each school where a summer learning camp is
being held. The fund:

1. Shall include any state appropriations specifically designated for the
summer learning camp at the school, excluding Title I funds; and

2. May include moneys from grants, donations from individuals and businesses, and proceeds from fundraising efforts to support the summer learning camp at the school.

(b) Funds in the accounts shall be used for personnel, field trips, and to purchase supplies, materials, and equipment for the summer learning camp.

(c) Any amounts remaining in an individual school fund at the end of the year shall be carried forward into the next year. If a school discontinues operation of its summer learning camp, the funds shall be transferred to another school in the district where a summer learning camp will be held. If there are no summer learning camps in the district, the funds may be used by the district to close the achievement gap for low-income and high-income students.

Section 9. KRS 160.1590 is amended to read as follows:

As used in KRS 160.1590 to 160.1599:

(1) "Achievement academy" has the same meaning as "public charter school";

(2) "Achievement gap" means the difference between performance goals and actual performance on state standardized examinations and other academic performance measures for subgroups of students, especially groups defined by socioeconomic status, race, and ethnicity;

(3) "Applicant" means an eligible person or persons, organization, or entity that seeks approval from a charter school authorizer to establish a public charter school;

(4) "Charter application" means a proposal from an applicant to an authorizer to enter into a charter contract whereby the proposed school obtains public charter school status;

(5) "Charter contract" or "contract" means a fixed-term, renewable contract between a charter school and an authorized charter school.
and performance expectations for each party to the contract pursuant to KRS 160.1596;

(6) "Charter school board of directors" means the independent board of a public charter school that is party to the charter contract with the authorizer and whose members have been elected or selected pursuant to the school's application;

(7) "Conversion public charter school" means a public charter school that existed as a noncharter public school prior to becoming a public charter school;

(8) "Education service provider" means an education management organization, school design provider, or any other partner entity with which a public charter school contracts for educational design, implementation, or comprehensive management;

(9) "Local school board" means a school board exercising management and control of a local school district;

(10) "Local school district" means a county or independent school district as identified in KRS 160.010 and 160.020;

(11) "Parent" means a parent, guardian, or other person or entity having legal custody of a child;

(12) "Public charter school" means a public school that:

(a) Is a public body corporate and politic, exercising public power, including the power in name to contract and be contracted with, sue and be sued, and adopt bylaws not inconsistent with this section;

(b) Has autonomy over decisions, including but not limited to matters concerning finance, personnel, scheduling, curriculum, and instruction;

(c) Is governed by an independent board of directors;

(d) Is established and operating under the terms of a charter contract between the public charter school's board of directors and its authorizer;

(e) Is a public school to which parents choose to send their children;

(f) Is a public school that admits students on the basis of a random and open
lottery if more students apply for admission than can be accommodated;

(g) Offers a comprehensive instructional program within a public school district;

(h) Operates in pursuit of a specific set of educational objectives as defined in its charter contract; and

(i) Operates under the oversight of its authorizer in accordance with its charter contract;

(13) "Public charter school authorizer" or "authorizer" means an entity or body that reviews, approves, or denies charter applications, enters into charter contracts with applicants, oversees public charter schools, and renews, does not renew, or revokes charter contracts. Authorizers include:

(a) A local school board of a local school district in which a public charter school is located;

(b) A collaborative among local school boards that forms to set up a regional public charter school to be located within the area managed and controlled by those local school boards;

(c) The mayor of a consolidated local government who may only authorize public charter schools to be physically located within the county in which the city is located and who has submitted a written notice to the state board that he or she intends to serve as an authorizer; and

(d) The chief executive officer of an urban-county government who may only authorize public charter schools to be physically located within the county in which the city is located and who has submitted a written notice to the state board that he or she intends to serve as an authorizer;

(14) "Qualified teacher" means a person certified by the Education Professional Standards Board pursuant to KRS 161.028, 161.030, 161.046, or 161.048;

(15) "Regional achievement academy" means a public charter school that has been established to serve students across multiple school districts;
(16) "Regional achievement zone" means one (1) county containing four (4) or more local school districts or two (2) or more contiguous counties, each containing four (4) or more local school districts;

(17) "Start-up public charter school" means a public charter school that did not exist as a noncharter public school prior to becoming a public charter school;

(18) "State board" means the Kentucky Board of Education;

(19) "Student" means any child who is eligible for attendance in a public school in Kentucky; and

(20) "Virtual public charter school" means a public charter school that offers educational services primarily or completely through an online program.

Section 10. KRS 160.1591 is amended to read as follows:

(1) The General Assembly hereby finds and declares that:

(a) Reducing achievement gaps in Kentucky is necessary for the state to realize its workforce and economic development potential;

(b) Past and current measures have been insufficient for making progress toward reducing the state's achievement gaps;

(c) Additional public school options are necessary to help reduce socioeconomic, racial, and ethnic achievement gaps; and

(d) The demand exists for high-quality public charter schools in the Commonwealth.

(2) The General Assembly hereby establishes a public charter school project to benefit parents, teachers, and community members by creating new, innovative, and more flexible ways of educating all children within the public school system and by advancing a renewed commitment to the mission, goals, and diversity of public education. The purposes of the public charter school initiative are to:

(a) Improve student learning outcomes by creating additional high-performing schools with high standards for student performance;
(b) Encourage the use of different, high-quality models of teaching, governing, scheduling, or other aspects of schooling that meet a variety of student needs;

c) Close achievement gaps for low-performing groups of public school students;

d) Allow schools freedom and flexibility in exchange for exceptional levels of results-driven accountability;

e) Increase high-quality educational opportunities within the public education system for all students, especially those at risk of academic failure; and

(f) Provide students, parents, community members, and local entities with expanded opportunities for involvement in the public education system.

(3) Beginning in academic year 2017-2018, any authorizer may authorize an unlimited number of public charter schools within the boundary of the local school district.

(4) A public charter school shall not be a virtual public charter school.

(5) (a) A public charter school authorized by a local school board or collaborative may enroll students who reside within the boundaries of the district or districts represented by the local school board or collaborative.

(b) Enrollment preference for a conversion public charter school shall be given to students who attended the school the previous school year. If the number of students enrolled does not exceed the capacity of the school, secondary preference shall be given to students who reside within the district boundary in which the public charter school is located.

(c) Enrollment preference for public charter schools shall be given to students enrolled in the public charter school the previous year and to siblings of students already enrolled in the school. An enrollment preference for returning students shall exclude those students from entering into a lottery, as identified in paragraph (f) of this subsection.

(d) Enrollment preference may be given to the children of the public charter
school's board of directors and full-time employees of the public charter school provided they constitute no more than ten percent (10%) of the total student population.

(e) A public charter school may allow an enrollment preference for students who meet federal eligibility requirements for free or reduced-price meals and students who attend persistently low-achieving noncharter public schools.

(f) If capacity is insufficient to enroll all students who wish to attend any specific grade level or program at a public charter school, the school shall select students through a randomized and transparent lottery.

(6) (a) A public charter school established within the boundaries of a regional achievement zone shall be a regional achievement academy.

(b) 1. A regional achievement academy may be authorized by a single local school board within the regional achievement zone or by a collaborative of local school boards within the regional achievement zone.

2. A regional achievement academy authorized by a single local school board shall be located within the boundaries of the authorizing local school district.

3. A regional achievement academy authorized by a collaborative of local school boards shall be located within the regional achievement zone.

(c) A regional achievement academy may only enroll students who reside within the boundaries of its regional achievement zone.

(d) Enrollment preference in a regional achievement academy may be given to students who reside within the boundaries of the local school district where the regional achievement academy is located.

(7) Consistent with the requirements of KRS 160.1590 to 160.1599 and 161.141, the state board shall promulgate administrative regulations to guide student application, lottery, and enrollment in public charter schools.
Section 11. KRS 160.1596 is amended to read as follows:

(1) (a) For purposes of this section, a member of the board of directors of a public charter school shall be considered an officer under KRS 61.040 and shall, within sixty (60) days of final approval of an application, take an oath of office as required under KRS 62.010.

(b) Within seventy-five (75) days of the final approval of an application, the board of directors and the authorizer shall enter into a binding charter contract that establishes the academic and operational performance expectations and measures by which the public charter school will be evaluated.

(c) The executed charter contract shall become the final authorization for the public charter school. The charter contract shall include:

1. The term of the contract;
2. The agreements relating to each item required under KRS 160.1592(3) and 160.1593(3), as modified or supplemented during the approval process;
3. The rights and duties of each party;
4. The administrative relationship between the authorizer and the public charter school;
5. The allocation of state, local, and federal funds, and the schedule to disburse funds to the public charter school by the authorizer;
6. The process the authorizer will use to provide ongoing oversight, including a process to conduct annual site visits;
7. The specific commitments of the public charter school authorizer relating to its obligations to oversee, monitor the progress of, and supervise the public charter school;
8. The process and criteria the authorizer will use to annually monitor and evaluate the overall academic, operating, and fiscal conditions of the
public charter school, including the process the authorizer will use to
oversee the correction of any deficiencies found in the annual review;

9. The process for revision or amendment to the terms of the charter
contract agreed to by the authorizer and the board of directors of the
public charter school;

10. The process agreed to by the authorizer and the board of directors of the
public charter school that identifies how disputes between the authorizer
and the board will be handled; and

11. Any other terms and conditions agreed to by the authorizer and the board
of directors, including pre-opening conditions. Reasonable conditions
shall not include enrollment caps or operational requirements that place
undue constraints on a public charter school or are contradictory to the
provisions of KRS 160.1590 to 160.1599 and 161.141. Such conditions,
even when incorporated in a charter contract, shall be considered
unilaterally imposed conditions.

(d) 1. The performance provisions within a charter contract shall be based on a
performance framework that sets forth the academic and operational
performance indicators, measures, and metrics to be used by the
authorizer to evaluate each public charter school. The performance
framework shall include at a minimum indicators, measures, and metrics
for:

a. Student academic proficiency;

b. Student academic growth;

c. Achievement gaps in both student proficiency and student growth
   for student subgroups, including race, sex, socioeconomic status, and areas of exceptionality;

d. Student attendance;
e. Student suspensions;

f. Student withdrawals;

g. Student exits;

h. Recurrent enrollment from year to year;

i. College or career readiness at the end of grade twelve (12);

j. Financial performance and sustainability; and

k. Board of directors' performance and stewardship, including compliance with all applicable statutes, administrative regulations, and terms of the charter contract.

2. The performance framework shall allow the inclusion of additional rigorous, valid, and reliable indicators proposed by a public charter school to augment external evaluations of its performance. The proposed indicators shall be consistent with the purposes of KRS 160.1590 to 160.1599 and 161.141 and shall be negotiated with the authorizer.

3. The performance framework shall require the disaggregation of student performance data by subgroups, including race, sex, socioeconomic status, and areas of exceptionality.

4. The authorizer shall be responsible for collecting, analyzing, and reporting to the state board all state-required assessment and achievement data for each public charter school it oversees.

(e) Annual student achievement performance targets shall be set, in accordance with the state accountability system, by each public charter school in conjunction with its authorizer, and those measures shall be designed to help each school meet applicable federal, state, and authorizer goals.

(f) The charter contract shall be signed by the chair of the governing board of the authorizer and the chair of the board of directors of the public charter school. An approved charter application shall not serve as a charter contract for the
public charter school.

(g) No public charter school may commence operations without a charter contract executed according to this section and approved in an open meeting of the governing board of the authorizer.

(2) Within five (5) days after entering into a charter contract, a copy of the executed contract shall be submitted by the authorizer to the commissioner of education.

(3) The state board shall promulgate administrative regulations to establish the process to be used to evaluate the performance of a charter school authorizer, based upon the requirements of KRS 160.1590 to 160.1599 and 161.141, and the actions to be taken in response to failures in performance.

(4) The commissioner of education shall apply for financial assistance through the federal government for the planning, program design, and initial implementation of public charter schools in the state within sixty (60) days after June 29, 2017, or at the first available grant application period. Federal grants include but are not limited to the Charter Schools Program administered by the United States Department of Education.

(5) By August 31, 2019, and annually thereafter, each public charter school authorizer shall submit to the commissioner of education, the secretary of the Education and Workforce Development Cabinet, and the Interim Joint Committee on Education a report to include:

(a) The names of each public charter school operating under contract with the authorizer during the previous academic year that:

1. Closed during or after the academic year; or
2. Had the contract nonrenewed or revoked;

(b) The names of each public charter school operating under contract with the authorizer during the previous academic year that have not yet begun to operate;
(c) The number of applications received, the number reviewed, and the number approved;

(d) A summary of the academic and financial performance of each public charter school operated under contract with the authorizer during the previous academic year; and

(e) The authorizing duties and functions performed by the authorizer during the previous academic year.

Section 12. KRS 160.107 is amended to read as follows:

(1) A district which is an applicant to be designated as a district of innovation under KRS 156.108 shall:

(a) Establish goals and performance targets for the district of innovation proposal, which may include:

1. Reducing achievement gaps among groups of public school students by expanding learning experiences for students who are identified as academically low-achieving;

2. Increasing pupil learning through the implementation of high, rigorous standards for pupil performance;

3. Increasing the participation of students in various curriculum components and instructional components within selected schools to enhance students' preparation at each grade level;

4. Increasing the number of students who are postsecondary-ready; and

5. Motivating students at different grade levels by offering more curriculum choices and student learning opportunities to parents and students within the district;

(b) Identify changes needed in the district and schools to lead to better-prepared students for success in life and work;

(c) Have a district-wide plan of innovation that describes and justifies which
schools and innovative practices will be incorporated;

(d) Provide documentation of community, educator, parental, and the local board's support of the proposed innovations;

e) Provide detailed information regarding the rationale of requests for waivers from Kentucky Revised Statutes and administrative regulations, and exemptions for selected schools regarding waivers of local board of education policies;

(f) Document the fiscal and human resources the board will provide throughout the term of the implementation of the innovations within its plan; and

(g) Provide other materials as required by the Kentucky Department of Education in compliance with the state board's administrative regulations and application procedures.

(2) The district and all schools participating in a district's innovation plan shall:

(a) Ensure the same health, safety, civil rights, and disability rights requirements as are applied to all public schools;

(b) Ensure students meet compulsory attendance requirements under KRS 158.030 and 158.100;

(c) Ensure that high school course offerings meet or exceed the minimum required under KRS 156.160 for high school graduation or meet early graduation requirements that may be enacted by the General Assembly;

(d) Ensure the student performance standards meet or exceed those adopted by the Kentucky Board of Education, including compliance with the statewide assessment system specified in KRS 158.6453;

(e) Adhere to the same financial audits, audit procedures, and audit requirements as are applied under KRS 156.265;

(f) Require state and criminal background checks for staff and volunteers as required of all public school employees and volunteers within the public
schools and specified in KRS 160.380 and 161.148;
(g) Comply with open records and open meeting requirements under KRS Chapter 61;
(h) Comply with purchasing requirements and limitations under KRS Chapter 45A and KRS 156.074 and 156.480;
(i) Provide overall instructional time that is equivalent to or greater than that required under KRS 158.070, but which may include on-site instruction, distance or virtual learning, and work-based learning on nontraditional school days or hours; and
(j) Provide data to the Kentucky Department of Education as deemed necessary to generate school and district reports.
(3) (a) Only schools that choose to be designated as schools of innovation shall be included in a district's application.
(b) 1. As used in this paragraph, "eligible employees" means employees that are regularly employed at the school and those employees whose primary job duties will be affected by the plan.
2. A vote shall be taken among eligible employees in a school to determine if the school shall be an applicant as a school of innovation in a district's proposal and to approve the school's plan of innovation before it is submitted to the district. At least seventy percent (70%) of those casting votes shall vote in the affirmative in order for the school to request inclusion in the district's plan and to approve the school's plan of innovation.
3. The school-based decision making council shall be responsible for conducting the vote provided for in subparagraph 2. of this paragraph, which shall be by secret ballot.
(c) Notwithstanding the provisions of paragraph (a) of this subsection, a local
board of education may require a school that has been identified for comprehensive support and improvement under KRS 160.346 to participate in the district's plan of innovation.

(4) (a) With approval of the state board, a school of innovation may request and be granted waivers from all or selected provisions of KRS 160.345 relating to school-based decision making.

(b) To be exempt from KRS 160.345, a school-based decision making council shall vote by secret ballot to determine if it wishes to request a waiver from KRS 160.345 or specific provisions within that statute. Only a school that has seventy percent (70%) or more of the teachers and staff in the school voting to waive its rights and responsibilities under KRS 160.345 shall be eligible.

(c) No local board of education or superintendent nor the Kentucky Board of Education may compel a school to waive its rights under KRS 160.345, except as provided in KRS 160.346.

(d) Before the provisions of KRS 160.345 are waived by the Kentucky Board of Education for a specific school, there shall be assurances that teachers, parents, and staff in the affected school will be actively involved in the management and decision-making operations of the schools, including input into employment matters and selection of personnel.

(5) Notwithstanding any statutes to the contrary, the Kentucky Board of Education may approve the requests of districts of innovation to:

(a) Use capital outlay funds for operational costs;

(b) Hire persons for classified positions in nontraditional school and district assignments who have bachelor's and advanced degrees from postsecondary education institutions accredited by a regional accrediting association as defined in KRS 164.740;

(c) Employ teachers on extended employment contracts or extra duty contracts
and compensate them on a salary schedule other than the single salary schedule; 
(d) Extend the school days as is appropriate within the district with compensation for the employees as determined locally; 
(e) Establish alternative education programs and services that are delivered in nontraditional hours and which may be jointly provided in cooperation with another school district or consortia of districts; 
(f) Establish a virtual school within the district for delivering alternative classes to meet high school graduation requirements; 
(g) Use a flexible school calendar; 
(h) Convert existing schools into schools of innovation; and 
(i) Modify the formula under KRS 157.360(2) for distributing support education excellence in Kentucky funds for students in average daily attendance in nontraditional programming time, including alternative programs and virtual programs. Funds granted to a district shall not exceed those that would have otherwise been distributed based on average daily attendance during regular instructional days.

Section 13. KRS 160.340 is amended to read as follows:
(1) Each board of education shall, on the forms prepared by the chief state school officer and approved by the Kentucky Board of Education, prepare and submit to the Kentucky Board of Education reports on all phases of its school service. Each board may prepare and publish for the information of the public a report on the progress of its schools.
(2) Each board of education shall file in the board's office its policies relating to the following matters:
(a) Transportation of pupils; 
(b) Discipline and conduct of pupils;
(c) Limitations or restrictions on use of school facilities;
(d) Conduct of meetings of the board of education, including policies on the
calling of executive sessions;
(e) Personnel policies that apply to certified employees, including fringe benefits,
salary schedules, nonclassroom duties, in-service training, teacher-student
ratio, hiring, assignment, transfer, dismissal, suspension, reinstatement,
promotion, and demotion;
(f) Evaluation of certified employees;
(g) Selection of textbooks and instructional materials;
(h) Expenditure and accounting for school funds, including all special funds; and
(i) Policies dealing with school-based decision making.

(3) (a) The local board of education may adopt a policy requiring that each school
council, or if none exists, the principal, make an annual report at a public
meeting of the board describing the school's progress in meeting the
educational goals set forth in KRS 158.6451 and district goals established by
the board.
(b) Biennially, the local board shall review in a public meeting the portion of each
school's consolidated plan that sets forth the activities and schedule to reduce
the achievement gaps among the various groups of students as required in
KRS 158.649. If a district has more than twenty (20) schools, the district may
review the achievement gap data of each school in a comprehensive district
report at a regularly scheduled meeting of the board. The report shall include
the schools' and district's plans to reduce any identified gaps in student
achievement.

(4) It is intended that these policies shall cover matters within the authority and
discretion of the district board of education and not matters otherwise required by
law or regulation. Such policies shall be filed in the board's office by August 15,
1974, shall be kept up to date by filing annual amendments thereto each August 15
and shall be public records.

Section 14. KRS 164.0207 is amended to read as follows:

(1) The Collaborative Center for Literacy Development: Early Childhood through
Adulthood is created to make available professional development for educators in
reliable, replicable research-based reading programs, and to promote literacy
development, including cooperating with other entities that provide family literacy
services. The center shall be responsible for:

(a) Developing and implementing a clearinghouse for information about
programs addressing reading and literacy from early childhood and the
elementary grades (P-5) through adult education;

(b) Providing advice to the Kentucky Board of Education regarding the Reading
Diagnostic and Intervention Grant Program established in KRS 158.792 and
in other matters relating to reading;

(c) Collaborating with public and private institutions of postsecondary education
and adult education providers to provide for teachers and administrators
quality preservice and professional development relating to reading diagnostic
assessments and intervention and to the essential components of successful
reading: phonemic awareness, phonics, fluency, vocabulary, comprehension,
and the connections between writing and reading acquisition and motivation
to read;

(d) Collaborating with the Kentucky Department of Education to assist districts
with students functioning at low levels of reading skills to assess and address
identified literacy needs;

(e) Providing professional development and coaching for early childhood
educators and classroom teachers, including adult education teachers,
implementing selected reliable, replicable research-based reading programs.
The professional development shall utilize technology when appropriate;

(f) Developing and implementing a comprehensive research agenda evaluating the early reading models implemented in Kentucky under KRS 158.792;

(g) Maintaining a demonstration and training site for early literacy located at each of the public universities;

(h) Assisting middle and high schools in the development of comprehensive adolescent reading plans and maintaining a repository of instructional materials or summary materials that identify comprehension best practices in the teaching of each subject area and a list of classroom-based diagnostic reading comprehension assessments that measure student progress in developing students' reading comprehension skills; and

(i) Evaluating the reading and literacy components of the model adult education programs funded under the adult education and literacy initiative fund created under KRS 151B.409.

(2) The center shall review national research and disseminate appropriate research abstracts, when appropriate, as well as conduct ongoing research of reading programs throughout the state. Research activities undertaken by the center shall consist of descriptive as well as empirical studies.

(a) The center may contract for research studies to be conducted on its behalf.

(b) The research agenda should, at a minimum, consider the impact of various reading and intervention programs:

1. In eliminating academic achievement gaps for students with differing characteristics, including subpopulations of students with disabilities, students with low socioeconomic status, students from racial minority groups, students with limited English proficiency, and students of different gender;

2. In schools with differing characteristics, such as urban versus rural
schools, poverty versus nonpoverty schools, schools with strong library
media center programs versus schools with weak library media center
programs, and schools in different geographic regions of the state;

3. In terms of their costs and effectiveness; and

4. In maintaining positive student progress over a sustained period of time.

(3) The center shall submit an annual report of its activities to the Kentucky
Department of Education, the Governor, and the Legislative Research Commission
no later than September 1 of each year.

(4) With advice from the Department of Education, the Council on Postsecondary
Education shall develop a process to solicit, review, and approve a proposal for
locating the Collaborative Center for Literacy Development at a public institution of
postsecondary education. The Council on Postsecondary Education shall approve
the location. The center, in conjunction with the council, shall establish goals and
performance objectives related to the functions described in this section.

Section 15. To ensure that school districts and schools are recognized and
rewarded for academic improvement achieved by subgroups of students identified as
consistently underperforming, the Kentucky Department of Education is encouraged to
assign more weight within the academic indicators in the statewide accountability system
for progress made toward goals by the subgroups.