



**Senate Fiscal Agency**  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

**Telephone: (517) 373-5383**  
**Fax: (517) 373-1986**

Senate Bill 817 (as reported without amendment)  
Sponsor: Senator John Pappageorge  
Committee: Education

**CONTENT**

The bill would amend the Revised School Code to delay until the 2015-2016 school year the implementation of teacher and school administrator performance evaluation requirements.

The Code requires the board of a school district or intermediate school district (ISD) or the board of directors of a public school academy (PSA) to adopt and implement for all teachers and administrators a performance evaluation system. Beginning with the 2013-2014 school year, the board must ensure that the system meets specific conditions, including an annual year-end evaluation for all teachers and administrators, adoption and implementation of a State evaluation tool or a comparable local tool, and the assignment to each individual of an effectiveness rating based on his or her score on the annual evaluation. The system must provide that, if an individual is rated as ineffective on three consecutive evaluations, the school district, ISD, or PSA must dismiss the person from employment. Under the bill, these requirements would apply beginning with the 2015-2016 school year.

Under current requirements, a certain percentage of an individual's annual evaluation must be based on student growth and assessment data as follows: for the 2013-2014 school year, at least 25%; for the 2014-2015 school year, at least 40%; and, beginning with the 2015-16 school year, at least 50%. The bill would delete the requirements applicable to the 2013-2014 and 2014-2015 school years.

MCL 380.1249

Legislative Analyst: Julie Cassidy

**FISCAL IMPACT**

The proposed delay of the performance evaluation system for teachers and administrators could result in some savings for the fiscal year 2014-15 budget; however, the extent of those savings is unknown, and any savings in FY 2014-15 would have to be paid in FY 2015-16. The Governor's proposed budget for FY 2014-15 included a total of \$49.4 million for the first year of phasing in educator evaluations and student assessments. While it is likely that a large portion of the funding in FY 2014-15 would still be used for training, teacher and administrator evaluation tools, electronic reporting, necessary information technology updates, and other items, it is possible that a small portion of those funding requirements could be delayed to FY 2015-16 if the implementation of the performance evaluation system were delayed as proposed under this bill.

Date Completed: 3-18-14

Fiscal Analyst: Kathryn Summers