This act creates a program where by teachers may be eligible for performance-based salary stipends if they opt out of their permanent contract and meet measurable student performance goals based on a value-added test instrument developed by the state department of education.

### Model Legislation

**Section 1. (Short Title)** This act shall be known as the Teacher Choice Compensation Act.

**Section 2. (Legislative Purpose)** There is hereby created the “Teacher Choice Compensation Package” to permit performance-based salary stipends upon the decision of the teacher to opt out of their permanent contract, to reward teachers for objectively demonstrating superior performance.

**Section 3. (Teacher Choice Compensation Fund)** There is hereby created the “Teacher Choice Compensation Fund” in the state treasury. The fund shall be administered by [insert name of state department of education].

**Section 4. (Eligibility)** To be eligible for the teacher choice compensation package, all classroom personnel reported as [insert appropriate state classification] shall opt out of his or her contract for the duration of employment with the district.

a. A teacher may decide to end his or her eligibility for the teacher choice stipend but may not resume permanent teacher status with that district.

b. A probationary teacher may opt out of consideration for a permanent contract in the second or subsequent years of employment by the district to participate in the teacher choice compensation package but may not return to permanent status in that district or resume the process for qualification for a permanent contract in that district.

c. A teacher who has chosen the teacher choice compensation package and changes employment to another district may choose to resume the process for qualification for a permanent contract in that district or may choose to remain in the teacher choice compensation package or the new district.

**Section 5. (Teacher Choice Stipends)** Teachers shall qualify annually in October for the teacher choice compensation stipend. Stipends shall be offered in five thousand dollar increments, up to fifteen thousand dollars, but shall not exceed fifty (50) percent of a teacher’s base salary, before deduction for retirement but including stipends for additional duties such as coaching, sponsoring, or mentoring, etc. Any stipend received shall be in addition to the base salary to which the teacher would otherwise be entitled.
Teachers receiving the stipend shall receive any pay and benefits received by teachers of similar training, experience, and duties.

**Section 6. (Stipend Disbursement)** Subject to appropriation, the (insert name of state department of education) shall make a payment to the district in the amount of the stipend, to be delivered as a lump sum in January following the October of qualification.

**Section 7. (Student Performance Measures)** Beginning with the next full school year following the enactment of this act, teachers who elect to participate in the teacher choice compensation package shall be eligible for stipends based on the following criteria:

a. Score on a value-added test instrument or instruments. Such instruments shall be defined as those that give a reliable measurement of the skills and knowledge transferred to students during the time they are in a teacher's classroom and shall be selected by the school district from one or more of the following assessments:

1. A list of recognized value-added instruments developed by the (insert name of state department of education).

2. Scores on annual test required by the federal Elementary and Secondary Education Act reauthorization of 2002 for the third through eighth grade may be used as value-added instruments if found appropriate after consideration and approval by the state board of education.

3. A district may choose an instrument after a public hearing of the district board of education on the matter, with the reasons for the selection entered upon the minutes of the meeting; provided, however, that this option shall not be available to districts after scores are established for paragraphs (1) and (2) of this subdivision.

b. Evaluations by principles or other administrators with expertise to evaluate classroom performance.

c. The (enter name of state department of education) shall develop criteria for determining eligibility for stipend increments, including a range of target scores on assessments for use by the districts.

**Section 8. (Severability clause)**

**Section 9. (Repealer clause)**

**Section 10. (Effective Date)**

*Adopted by the Education Task Force at the Annual Meeting August 8, 2002. Approved by full ALEC Board of Directors September, 2002.*

Related Files
Teacher Choice Compensation Act (Microsoft Word Document)

About Us and ALEC EXPOSED. The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and new www.ALECexposed.org. For more information contact: editor@prwatch.org or 608-260-9713.

Center for Media and Democracy's quick summary: This act creates a program where by teachers may be eligible for performance based salary stipends if they opt out of their permanent contract and meet measurable student performance goals. The plans do not appear to have documented substantial benefits but are another way some may try to undermine tenure and teachers unions.