AN ACT relating to the statewide education accountability system.

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

Section 1. 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
(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.
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.

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 preservice education programs and that all teacher interns will have experience planning classroom instruction based on the revised standards.

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.

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.

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 department's technical advisory committee 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
examination[examinations] described in subsection (5)(b)5. of this section:

(a) The cost of the[both] college admissions examination[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 assessment 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 exam 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.
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 department's technical advisory committee, 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 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
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 score] on the college admissions assessment administered under subsection (5)(b) 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 2. 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. Student assessment results;
2. Progress toward achieving English proficiency by limited English proficiency students;
3. Quality of school climate and safety;
4. High school graduation rates;
5. Postsecondary readiness for each high school student, which shall be included as an academic indicator, and shall be measured by one (1) of the following:

   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)5. 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. **Achieving three (3) hours of college credit or postsecondary articulated credit by completing a course approved by the Kentucky Board of Education;**

c. **Achieving a benchmark score on an Advanced Placement, International Baccalaureate, Cambridge Advanced International, or other nationally recognized exam approved by the Kentucky Board of Education that generally qualifies the student for three (3) or more hours of college credit;**

d. **Completing a required number of hours or achieving a benchmark within an apprenticeship, cooperative, or internship that is aligned with a credential or associate degree and approved by the Kentucky Board of Education after receiving input from the Local Superintendents Advisory Council; or**

e. **Achieving 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


(c) 1. 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."

2. 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 KRS 160.346(2) and (3).

3. 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.

4. 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.

(f) 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.

(g) 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 department's technical advisory committee.

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

(a) 1. 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 department's technical advisory committee, 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 department's technical advisory committee, 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 department's technical advisory committee, the Kentucky Board of Education shall promulgate administrative regulations in conformity with KRS 158.6471 and 158.6472 and
KRS Chapter 13A to establish a process whereby a school or school district shall be allowed to appeal any performance judgment made by the department under this section or KRS 160.346 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 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.

(7) Advice and recommendations provided by the department's technical advisory committee shall be summarized and reported by the department by July 1 and December 1 of each year to the Office of Education Accountability. The report shall include:

(a) Advice and recommendations provided by panel members relating to:

1. Development and modification to the assessment and accountability system;

2. The development of administrative regulations governing the assessment and accountability system;

3. The setting of standards used in the assessment and accountability system; and

4. KRS 158.6453, 158.6455, 158.782, or 158.860; and

(b) Any documentation used by the panel in support of the panel's advice and recommendations.

Upon receipt of the report, the Office of Education Accountability shall forward the report to the Education Assessment and Accountability Review Subcommittee and the co-chairs of the Interim Joint Committee on Education.