



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

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Joint Committee on Finance

Paper #638

Early Literacy and Reading Improvement (DPI -- Categorical Aids)

[LFB 2023-25 Budget Summary: Page 493, #15]

CURRENT LAW

School districts are required to provide an instructional program designed to give pupils basic skills, including the ability to read, write, spell, learn by reading and listening, and communicate by writing and speaking. They must maintain a written, sequential curriculum plan in reading and language arts that specifies objectives, course content, resources, and an evaluation method. School districts are required to employ a reading specialist certified by DPI to develop and implement a comprehensive reading curriculum in grades kindergarten to 12. School districts are also required to develop reading program goals, assess reading program needs, and annually evaluate the reading curriculum.

School districts and independent charter schools are required to annually assess each pupil enrolled in four-year-old kindergarten to grade two for reading readiness, including phonemic awareness and letter sound knowledge, and report the assessment results to pupils' parents or guardians. Base level funding of \$2,151,000 GPR is provided for school districts and independent charter schools to conduct assessments of reading readiness. School districts and independent charter schools must also annually administer a standardized reading test developed by DPI to all pupils enrolled in grade three in the district or school, in addition to the other assessments required under state and federal law.

School districts and independent charter schools are required to provide interventions or remedial reading services to pupils in kindergarten to grade four if the pupil meets one of the following: (a) fails to meet the reading objectives specified in the reading curriculum plan maintained by the school board; (b) fails to score above the state minimum performance standard on the third grade reading test and a teacher in the district or school and the pupil's parent or guardian agree that the pupil's test performance accurately reflects the pupil's reading ability or a

teacher in the district or school determines, based on other objective evidence of the pupil's reading comprehension, that the pupil's test performance accurately reflects the pupil's reading ability; or (c) the pupil's assessment of reading readiness indicates that the pupil is at risk of reading difficulty. If (c) applies, the interventions or services provided must be scientifically based and address all areas in which the pupil is deficient in a manner consistent with the state standards in reading and language arts.

DISCUSSION POINTS

1. Under 2011 Act 166, school districts and independent charter schools were required to, beginning in the 2012-13 school year, annually assess each pupil enrolled in kindergarten in the district or school for reading that readiness using the assessment of literacy fundamentals selected by DPI. DPI was required to ensure the assessment was appropriate, valid, and reliable, and that it evaluated whether a pupil possessed phonemic awareness and letter sound knowledge. Funding equal to \$800,000 GPR in 2012-13 was provided to school districts and independent charter schools to conduct the assessments. Under 2013 Act 20, the requirement was extended to include pupils enrolled in 4K and first grade beginning in 2013-14, and pupils enrolled in second grade beginning in 2014-15. Funding was increased to \$2,296,000 GPR in 2013-14, and then decreased to \$2,151,000 GPR in 2014-15. The funding amount has remained unchanged since 2014-15.

2. From 2012-13 through 2015-16, DPI selected the Phonological Awareness Literacy Screening (PALS), a research based diagnostic and progress monitoring tool for pupils in 4K through second grade, as the literacy screening tool to be administered. Separate PALS assessments for pre-kindergarten, kindergarten, and grades one and two were used in Wisconsin. The pre-kindergarten assessment measured name writing, alphabet knowledge, beginning sound awareness, print and word awareness, rhyme awareness, and nursery rhyme awareness. The kindergarten assessment measured phonological awareness, alphabet knowledge, knowledge of letter sounds, spelling, concept of work, and word recognition in isolation. The assessment for grades one and two measured spelling, word knowledge, letter sounds, oral reading in context, and alphabet and phonemic awareness for those with more basic literacy skills.

3. Under 2015 Act 55, the requirement for reading readiness assessments was modified to allow school districts and independent charter schools to select an assessment tool beginning in the 2016-17 school year, and to specify that funding shall be provided to reimburse the per pupil cost of the assessment. Funding is prorated if it is insufficient to pay the full amount of reimbursement requests. Expenses related to reading readiness that are eligible for reimbursement include the costs of teacher training and administration materials, student materials, scoring guides, and online scoring portals. Costs related to the creation of a literacy screening tool may also be eligible for reimbursement with additional information or under special requirements. Costs related to travel to attend training, staff and substitute salaries, and computers are not eligible for reimbursement.

4. School districts and independent charter schools are required to provide scientifically-based interventions or remedial reading services to pupils in kindergarten to grade four who are identified as being at risk of reading difficulty. Such interventions or services may include targeted small-group instruction provided in a regular classroom or an alternate setting, or individual tutoring.

School districts have broad authority to decide many aspects of the interventions or services, such as the setting, amount of time, and use of specific programs.

5. School districts and independent charter schools are not required to report the results of assessments of reading readiness to DPI. However, they are required to report results of the Wisconsin Forward Exam, which is designed to assess how well students perform in relation to state academic standards and was first administered during the 2015-16 school year. The exam is conducted in the spring of each school year at grades three through eight in English language arts and mathematics, grades four and eight in science, and grades four, eight, and ten in social studies. Table 1 below shows the percentage of pupils by grade level scoring proficient or advanced on the English language arts portion of the Wisconsin Forward Exam since 2015-16. As the table shows, the percentage of pupils scoring at the proficient or advanced level has declined in recent years, however the percentage increased in the most recent year for most grade levels.

TABLE 1

**Wisconsin Forward Exam English Language Arts Proficiency by Grade Level
2015-16 to 2021-22**

	<u>Grade 3</u>	<u>Grade 4</u>	<u>Grade 5</u>	<u>Grade 6</u>	<u>Grade 7</u>	<u>Grade 8</u>
2015-16	43.6%	43.7%	42.7%	42.9%	42.0%	41.2%
2016-17	42.4	47.2	46.9	45.6	43.6	40.9
2017-18	40.2	44.4	44.6	43.2	44.9	37.0
2018-19	39.0	43.3	40.4	41.1	44.7	36.5
2019-20*						
2020-21	31.3	35.7	33.4	33.8	37.3	30.5
2021-22	34.8	41.3	39.9	37.2	37.1	32.0
Net Change	-8.8%	-2.4%	-2.8%	-5.7%	-4.9%	-9.2%

*The Forward Exam was not administered during the 2019-20 school year due to COVID-19.

6. DPI provides a variety of resources to support literacy instruction, including a foundational reading skills tool and related webinars, reading-focused lesson plan study, standards-aligned instructional materials, and evidence and research informed grade-level instructional practice guides. The foundational reading skills tool allows educators to identify which skills are addressed in their instruction and which may need attention. The related webinars demonstrate how to use the tool and incorporate foundational reading skills into instruction. The reading-focused lesson plan study, which is currently being piloted in seven local educational agencies (LEAs), is designed as the next step to the foundational reading skills tool and is meant to ensure all students are able to independently apply targeted skills in reading and writing. DPI used a series of private grants it received beginning in 2018 to support professional development to LEAs and to provide sub-grants to incentivize LEAs to adopt and implement high-quality, standards-aligned instructional materials.

7. Each cooperative educational service agency (CESA) has at least one staff member who

supports literacy in their region, and each CESA has independent authority to determine the focus of their work. Additionally, the Response to Intervention (RtI) Center (a partnership between DPI and CESAs) coordinates with DPI literacy consultants to provide training in evidence-based reading instructional practices. DPI indicates that the RtI Center last provided such training in Winter, 2020, for a small group of local educational agencies (LEAs) in the CESA 10 region.

8. Under Wisconsin's plan for Elementary and Secondary School Emergency Relief (ESSER) III funds received under the federal American Rescue Plan Act (ARPA), \$5.0 million of the state's discretionary funds were allocated for a reading program. The funding will be awarded based on the following: (a) \$2.0 million to reimburse LEAs and CESAs up to \$4,000 for staff to attend Voyager Sopris Language Essentials for Teachers of Reading and Spelling (LETRS) trainings; (b) \$300,000 for early literacy grants for CESAs to conduct a Schools Cubed Leadership in Literacy Institute for principals and administrators; (c) \$150,000 to provide \$75,000 each to CESAs 8 and 9 to expand existing evidence-based early literacy trainings; (d) \$650,000 for 10 competitive grants of \$65,000 each to the remaining CESAs to contract with a vendor endorsed by the Center for Effective Reading Instruction to conduct early literacy audits of LEAs and assist them with the adoption and implementation of early reading systems; (e) \$600,000 for a vendor to conduct a reading landscape analysis of reading coursework in University of Wisconsin (UW) educator preparation programs, and to provide each participating institution an individual report with recommendations; and (f) \$1.3 million in grants of \$50,000 each to UW institutions to address and implement recommendations from their reading landscape analysis report. Any unused funds will be awarded as additional grants for evidence-based early literacy professional learning provided by a specified vendor or additional grants for a vendor to conduct an early literacy audit as previously described.

9. DPI set an initial application deadline of July 8, 2022, for LEAs interested in receiving reimbursement for the LETRS training and indicated a second round of funds may be provided in 2022-23. A total of \$1.9 million was allocated under the first round, and LEAs have until June 30, 2024, to attend the training. Only the cost of the vendor payment (approximately \$4,000 per person) are available for reimbursement; funds cannot be used for travel, substitute teachers, staff compensation, or other costs related to the training. DPI set a deadline of May 15, 2023, for CESAs to apply for grants for the Leadership in Literacy Institute, literacy training, and early literacy audits. Information is not yet available on the allocation of those grants.

10. Although resources are available from DPI, CESAs, and federal funds to support literacy instruction, DPI indicates that additional support is needed to help educators incorporate evidence and research into their professional practice to improve pupil outcomes. In particular, DPI indicates that the one-time ESSER III funding for reading initiatives will provide training for LEAs, but will not provide additional support to ensure the training is implemented or applied to instructional practice. DPI also indicates that other states have created formal, statewide literacy plans to address outcomes by aligning standards. For example, Mississippi provided coaches who had received the LETRS training to schools, and Michigan created an online learning tool to provide research-based instructional practices and invested in a network to coach educators at regional levels on the practices.

11. Assembly Bill 43/Senate Bill 70 would provide \$10,000,000 GPR annually in two new appropriations, including \$9,195,000 GPR annually to contract with and train literacy coaches to

implement a comprehensive program of trainings for educators to improve early literacy and reading outcomes for Wisconsin students, and \$805,000 GPR annually to provide stipend payments to participating school districts and independent charter schools. The bill would require DPI to establish a program to improve literacy outcomes that includes the following: (a) coaches to support the implementation of evidence-based literacy instructional practices in grades K-12 by collaborating with LEAs to establish goals for literacy outcomes for specific grade levels and literacy areas, and to provide ongoing support to LEAs to meet those goals; (b) coaches to focus on early literacy instructional transitions by providing in-person trainings for teachers who teach 4K, kindergarten, or first grade, including in-person trainings to evaluate existing early literacy curricula and goals, and to assist LEAs to create local, standards-aligned, and developmentally appropriate curricula and instruction for 4K to first grade pupils; and (c) trainings for the coaches on how to identify evidence-based literacy instructional practices and facilitate regional trainings focused on early literacy instructional practices. The bill would also require DPI to contract with individuals who demonstrate knowledge of and expertise in evidence-based literacy instructional practices and instructional experience in grades 4K to 12 to serve as literacy coaches under (a), and individuals who demonstrate knowledge and expertise in early literacy instructional practices and instructional experience in grades 4K through one to serve as literacy coaches under (b). The bill requires DPI to contract with one of each type of literacy coach for each urban school district (Milwaukee, Madison, Green Bay, Kenosha, and Racine), and between one and four of each type of coach for each CESA, depending on the number of pupils enrolled in non-urban districts located in the CESA in the previous school year, as follows: (1) for CESAs with fewer than 40,000 pupils, one of each type of coach; (2) for CESAs with 40,001 to 80,000 pupils, two of each type of coach; (3) for CESAs with 80,001 to 120,000 pupils, three of each type of coach; and (4) for CESAs with more than 120,000 pupils, four of each type of coach. Urban districts would be required to participate, but DPI could not require any district to participate in the program. The bill requires DPI to pay \$7,000 annually to each school district and independent charter school that elects to work with a coach to implement evidence-based literacy instructional practices under (a) and an additional \$6,000 annually to each school district and independent charter school that participates in an early literacy training led by a coach under (b). Payments to school districts would be made from the smaller appropriation totaling \$805,000 GPR annually.

12. DPI's budget request included \$10 million GPR annually for early literacy and reading improvement. As under the bill, under DPI's proposal, funds would be used for two focus areas: (a) evidence-based literacy instructional practices, and (b) early reading transitional instruction.

Under the evidence-based literacy instruction focus area, DPI would contract with 28 regional coaches with expertise in literacy and K-12 instruction. Training would be provided to these coaches prior to the start of the program in evidence-based literacy instructional practices, including explicit and systematic reading foundational skills instruction, as well as a mid-year training. LEAs could opt into working with a coach, and would receive a stipend for doing so that could be used for instructional resources, stipends to teachers, or to cover the cost of substitutes needed for teachers to receive training. LEAs and coaches would identify a literacy-related goal based on the LEA's specific needs, and the coach would provide ongoing training and support throughout the year related to the identified goal.

Under the early reading transitional instruction focus area, funding would be provided for regional face-to-face trainings for LEA teams of 4K, 5K, and first grade teachers. The trainings would support teachers to analyze their early reading instructional goals and curriculum to identify gaps or overlaps from one grade to the next, and to ensure coherence in early reading instruction. These trainings would be provided by 28 literacy coaches throughout the state.

13. In its agency budget request, DPI indicated that, based on the school district enrollment within each CESA, it would contract with a total of 28 evidence-based literacy coaches and 28 early literacy instruction coaches. Each contract would equal \$125,000, for a total of \$7.0 million. In addition, each coach would receive two training sessions at a cost of \$6,000 per training, for a total of \$672,000. DPI estimated that 115 school districts and independent charter schools would participate in the early literacy coaching, and that total training for these entities would equal \$1,380,000. DPI indicated that the remaining \$143,000 in the appropriation for early literacy and reading improvement would be retained by DPI to support the coordination and oversight of contracts for the regional coaches and training sessions. Finally, DPI estimated that 115 school districts and independent charter schools would participate in the evidence-based literacy coaching and receive a payment of \$7,000 each, for a total of \$805,000. Table 2 shows the proposed budget for the program.

TABLE 2

Proposed Annual Budget for Early Literacy and Reading Improvement Program

<u>Item</u>	<u>Cost Each</u>	<u>Number</u>	<u>Total annual cost</u>
Evidence-based literacy instruction			
Regional coaches	\$125,000	28	\$3,500,000
Initial training for coaches	6,000	28	168,000
Mid-year training for coaches	6,000	28	168,000
Stipends for LEAs	7,000	115	<u>805,000</u>
Subtotal			\$4,641,000
Early reading instruction			
Regional coaches	\$125,000	28	\$ 3,500,000
Initial training for coaches	6,000	28	168,000
Mid-year training for coaches	6,000	28	168,000
Two trainings for each LEA	12,000	115	<u>1,380,000</u>
Subtotal			\$5,216,000
DPI operations			\$143,000
Total			\$10,000,000

14. DPI's agency request differs from the bill in that rather than providing stipends from the smaller appropriation for school districts and independent charter schools that participate in early literacy trainings equal to \$6,000 each, DPI requested that such districts and schools receive two regional, in-person training sessions at a cost of \$6,000 per training, funded from the appropriation for early literacy and reading improvement. Under the proposal as written in the bill, the amount of

funding provided in the appropriation for school district stipends would likely be insufficient. To resolve this issue, the proposal could be modified to be consistent with DPI's request. [Alternative 1]

15. If the Committee wishes to provide additional funding for early literacy and reading improvement initiatives, but at a reduced cost, the Committee could consider providing funding for one of each type of coach for each CESA, rather than a number of coaches based on each CESA's district enrollment. Under this alternative, the total funding for coach contracts would equal \$3.0 million and the total funding for coach training would equal \$288,000. [Alternative 2]

ALTERNATIVES

1. Provide \$10,000,000 annually for the proposed early literacy and reading improvement initiative, including \$9,195,000 in an appropriation to be used to contract with regional literacy coaches and provide training related to evidence-based literacy instruction and early literacy instruction, and \$805,000 in an appropriation for stipends totaling \$7,000 each for school districts and independent charter schools that elect to work with a coach related to evidence-based literacy instruction.

ALT 1	Change to Base
GPR	\$20,000,000

2. Provide \$5,616,000 annually for an early literacy and reading improvement initiative, including \$4,811,000 to contract with two regional literacy coaches per CESA and provide training for the coaches, and \$805,000 for payments to school districts and independent charter schools that elect to work with a coach.

ALT 2	Change to Base
GPR	\$11,232,000

3. Take no action.

Prepared by: Maria Toniolo

