OVERVIEW: Sec. 8.8C of S.L. 2017-57 as amended by Sec. 2.10 of S.L. 2017-197, directs the Department of Public Instruction (DPI) to administer the Third Grade Read to Achieve Teacher Bonus Program (Program) to qualifying teachers who have an Education Value-Added Assessment System (EVAAS) student index score for third grade reading from the previous school year.

An eligible teacher is one who meets one or both of the following:

- Is in the top 25% of teachers in the State according to the EVAAS student growth index score for third grade reading from the previous school year.
- Is in the top 25% of teachers in the teacher's respective local school administrative unit (LEA) according to the EVAAS student growth index score for third grade reading from the previous school year.

A qualifying teacher is an eligible teacher who remains teaching in the same LEA at least from the school year the data for the EVAAS student growth index score for third grade reading is collected until the school year a bonus provided under this Program is paid.

Of the funds appropriated for the Program, $5,000,000 must be allocated for bonuses to eligible teachers who are in the top 25% of teachers in the State according to the EVAAS student growth index score for third grade reading from the previous school year. These funds must be distributed equally among the qualifying teachers.

Of the funds appropriated for the Program, $5,000,000 must be allocated for bonuses to eligible teachers who are in the top 25% of teachers in the teacher's respective LEA according to the EVAAS student growth index score for third grade reading from the previous school year. These funds must be divided proportionally based on average daily membership in third grade for each LEA and then distributed equally among qualifying teachers in each LEA subject to the following conditions:

- Teachers employed in charter schools, regional schools, and University of North Carolina laboratory schools are not eligible to receive a bonus under this Program.
- Any qualifying teacher who taught in an LEA that employed in the previous school year three or fewer total third grade teachers must receive a bonus under this Program if that teacher has an EVAAS student growth index score for third grade reading from the previous school year of exceeded expected growth.

A qualifying teacher may receive a bonus for being in the top 25% of the teachers in the State and being in the top 25% of teachers in the teacher's LEA, however neither bonus can exceed $3,500 in any given school year and no teacher can receive more than $7,000 in total bonus compensation for
any given school year. The bonus or bonuses awarded to a qualifying teacher is in addition to any regular wage or other bonus the teacher receives or is scheduled to receive.

Finally, the State Board of Education must study the effect of the bonuses awarded under this section and the bonuses awarded in the Third Grade Reading Teacher Performance Pilot Program in the 2016 Appropriations Act on teacher performance and retention. The results of the findings of the study, the distribution of statewide bonuses as among LEAs, and the distribution of bonuses within LEAs as among individual schools must be reported to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division by March 15 of each year.

This section became effective July 1, 2017 and applies to bonuses awarded in January 2019 and January 2020 based on data from the 2017-2018 and 2018-2019 school years, respectively.