

**Tennessee Investment in Student Achievement (TISA) Rule 0520-12-05  
Chapter Definitions 0520-12-05-.02 and  
Outcome Bonuses 0520-12-05-.06**

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**The Background:**

In the 2022 legislative session, Governor Lee and the Tennessee General Assembly passed the Tennessee Investment in Student Achievement (TISA) Act (Chapter 966 of the 2022 Public Acts) which will transition the state to a student-based funding formula starting in the 2023-24 school year. The TISA Act specifically requires rulemaking by the Tennessee Department of Education (Department) in certain areas to define important terms and establish processes and procedures for funding disbursements. TISA requires the Department to submit the rules to the State Board of Education (SBE) for a positive, neutral, or negative recommendation, and include SBE's recommendation in the filing of the rules with the Secretary of State's office.

This item proposes revisions to the following sections of the rule:

**Chapter Definitions 0520-12-05-.02:** The Definitions rule outlines the term definitions used throughout the rules. Revisions to this rule add a definition of "early postsecondary opportunity" and "EPSO credit" for the purposes of awarding outcome bonuses for high school students.

**Outcomes Bonuses Rule 0520-12-05-.06:** The Outcomes Bonuses rule identifies the student performance goals that will generate additional funds for districts, including additional outcomes weights awarded based on the performance of students in certain subgroups. Outcomes weights include goals for elementary and middle school academic performance, postsecondary readiness, and academic performance for students with disabilities. Pursuant to T.C.A. § 49-3-106, the Department convened the TISA Outcomes Review Committee to hear feedback on the outcome bonus criteria for high school students. Based on the committee's feedback, the Department is proposing revisions to the rule that allows a high school student who meets the following criteria to generate an outcome bonus:

- Earned EPSO credit in at least two (2) Early Post-Secondary Opportunities (EPSOs) and either scored a composite score of 21 or higher on the ACT, or increased his or her composite ACT score by at least four (4) points between the first 11<sup>th</sup> grade ACT and a subsequent ACT; or
- Earned EPSO credit for three (3) EPSOs; or
- Scored 31 or higher on the Armed Services Vocational Aptitude Battery (ASVAB) Armed Forces Qualifying Test (AFQT) and earned EPSO credit in at least two (2) EPSOs.

Revisions to the Outcome Bonuses rule also amend the outcome bonuses criteria for students with disabilities, and specify that the Department shall conduct a pilot program in the 2023-24 school year related to post high school success metrics in order to inform future revisions to the rule.

The Department will hold a rulemaking hearing to collect public feedback. Following this hearing, if substantive edits are made to the rules as a result of public feedback, the Department will bring the rules back to the State Board for a new recommendation.

**The Recommendation:**

The Department of Education recommends a positive recommendation on this item. The SBE staff concurs with this recommendation.