

## HB558 INTRODUCED



1 HB558  
2 843TIH2-1  
3 By Representative Garrett  
4 RFD: Ways and Means Education  
5 First Read: 10-Apr-25



## 4 SYNOPSIS:

5           This bill would enact the Renewing Alabama's  
6           Investment in Student Excellence (RAISE) Act to  
7           establish a process to provide additional funding for  
8           public K-12 schools for the purpose of addressing the  
9           educational needs of the student population and  
10          improving educational outcomes.

11          This bill would also require the State  
12          Department of Education to develop a unified system  
13          that streamlines applications and reporting for all  
14          state and federal funding programs away from multiple  
15          plans and reports into a single application.

19                           A BILL

20                           TO BE ENTITLED

21                           AN ACT

22  
23          Relating to the funding of public K-12 education; to  
24          add Article 16 to Chapter 13 of Title 16, commencing with  
25          Section 16-13-360, to the Code of Alabama 1975; to create the  
26          Renewing Alabama's Investment in Student Excellence (RAISE)  
27          Act; to establish a process to provide additional funding for  
28          public K-12 schools for the purpose of addressing the



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educational needs of the student population and improving outcomes; to establish the Renewing Alabama's Investment in Student Excellence (RAISE) Fund and provide for its funding and appropriation; to require reporting of student data by local education agencies; to establish priorities for use of the additional funding; to establish goals for student achievement; to require accountability reports on the expenditure and use of the additional funding through the Renewing Alabama's Investment in Student Excellence (RAISE) Fund; to establish a review committee on the Renewing Alabama's Investment in Student Excellence (RAISE) Act to identify needed revisions for continued improvement; to establish an accountability review board to review accountability reports and progress in achieving student achievement goals; and to require the State Department of Education to develop a unified system that streamlines applications and reporting for all state and federal funding programs.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Article 16 is added to Chapter 13 of Title 16, Code of Alabama 1975, commencing with Section 16-13-360, to read as follows:

§16-13-360

This act shall be known and may be cited as the Renewing Alabama's Investment in Student Excellence (RAISE) Act.

§16-13-361

For purposes of this act, the following terms have the



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following meanings:

(1) AVERAGE DAILY MEMBERSHIP (ADM). Average enrollment from the first 20 days of school after Labor Day of the preceding year.

(2) BASE FUNDING FACTOR. The sum certified by the Legislative Fiscal Officer prior to October 1 of each fiscal year beginning with the 2025-2026 fiscal year and calculated by dividing the total state and local cost of the Foundation Program by the average daily membership for the immediately preceding fiscal year, using the Foundation Program State Allocation report for the enacted Education Trust Fund appropriations act.

(3) CHARTER SCHOOL. A public charter school as defined in Section 16-6F-4.

(4) COMMISSION. The Alabama Commission for Evaluation of Services (ACES).

(5) CONCENTRATED ENGLISH LANGUAGE LEARNERS. A large percentage of students in a local education agency having been identified as English Language Learners.

(6) DEPARTMENT. The State Department of Education.

(7) DIRECT CERTIFICATION. A student that is homeless, foster, runaway, or eligible for free or reduced-price school meals or milk through the direct certification eligibility guidelines established pursuant to 42 U.S.C. §§ 1751-1769. If changes in the direct certification program occur, the department may recommend alternative measures that could be utilized in its place.

(8) ENGLISH LANGUAGE LEARNER (ELL). A student



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identified in accordance with federal or state law as entitled to receive English as a second language or bilingual services on the basis of the student's English language proficiency.

(9) FOUNDATION PROGRAM. The program established in Article 11 of Chapter 13 to provide the basic funding support for public K-12 schools.

(10) GIFTED STUDENT. A student who gives evidence of high achievement capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who needs services or activities not ordinarily provided by the school in order to fully develop those capabilities.

(11) LOCAL EDUCATION AGENCY (LEA). A county board of education, city board of education, or charter school.

(12) PUBLIC SCHOOL. A school within an LEA providing instruction in grades K-12 that is supported by public funds.

(13) RENEWING ALABAMA'S INVESTMENT IN STUDENT EXCELLENCE FUND (RAISE FUND). The fund established by this act to provide additional funding to local education agencies to address the educational needs of students in public K-12 schools.

(14) RAISE ACT REVIEW COMMITTEE. The committee established in Section 16-13-366 to determine the effectiveness of the RAISE Act program and any needed revisions for continuous improvement.

(15) RAISE ACT ACCOUNTABILITY AND IMPLEMENTATION BOARD. The board established in Section 16-13-367 to monitor the progress of LEAs and schools in reaching their goals of



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achievement and to ensure that RAISE Act funds are spent effectively.

(16) SPECIAL EDUCATION STUDENT. A child who has been identified with at least one of the specifically defined physical, emotional, learning, or cognitive disabilities and is identified for special education services under the Individuals with Disabilities Education Act 20 U.S.C. § 1400 et seq, or as otherwise defined in state law.

(17) STATE BOARD. The State Board of Education.

(18) STATE SUPERINTENDENT. The State Superintendent of Education.

(19) UNIFIED APPLICATION. A system that aligns policy priorities, planning, and budgeting for LEAs in one application and streamlines applications and reporting for all state and federal funding programs.

(20) WEIGHTED ALLOCATION. Additional funding from the RAISE Fund for each qualifying student using the most recent available data, and which shall be calculated by multiplying the percentage for each weighted allocation by the base funding factor.

§16-13-362

(a) There is established a fund in the State Treasury for the public schools of this state which shall be known as the Renewing Alabama's Investment in Student Excellence (RAISE) Fund. The fund shall be used to provide additional funding for public schools for the purpose of addressing the educational needs of the student population and improving student outcomes as provided in this article. The fund shall



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be comprised of all funds appropriated from the Education Trust Fund or allocated by the Legislature from other funds for the purposes of this act. The Legislature shall appropriate or allocate to this fund amounts sufficient to sustain the operation of the RAISE Act program. All funds received by the RAISE Fund shall remain in the fund and not revert or be expended for any other purpose other than those set out in this act.

(b) The fund shall be administered and distributed in accordance with this act and the provisions of the annual Education Trust Fund appropriations act. The additional funding appropriated pursuant to this act is subject to and shall be allocated only in accordance with funding as provided by the Legislature in the annual Education Trust Fund appropriations act or other legislative act and shall be budgeted and allotted in accordance with Sections 41-4-80 through 41-4-96 and Sections 41-19-1 through 41-19-12. Any monetary interest that accrues to the RAISE Fund shall be retained in the fund from year to year and shall be subject only to this act.

(c) Any LEA as defined in this act shall be eligible to receive an allocation from the RAISE Fund, subject to the following conditions:

(1) The LEA provides the data required in Section 16-13-363.

(2) The LEA provides the accountability reports required by Section 16-13-365.

(3) The LEA ensures that all funds received from the



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RAISE Fund are used to serve the student groups that generated the funds under Section 16-13-364.

(4) The LEA submits the unified application, including data and accountability reports through the unified application for the 2028-2029 school year, as required in Section 16-13-368.

### §16-13-363

(a) The department shall implement this act commencing with the 2025-2026 school year contingent upon additional funding being appropriated by the Legislature for such purpose.

(b) The funding described in this act shall be allocated in accordance with this act and rules adopted by the state board.

(c) On or before July 1, 2025, and each June 1 thereafter until the unified application created pursuant to Section 16-13-368 is implemented, the department shall create and publish a RAISE guide outlining the department's procedures for administering this act. At a minimum, the RAISE guide shall do the following:

(1) Identify the data the department must receive from each LEA for purposes of administering this act.

(2) Explain how and when the data identified in subdivision (1) shall be submitted to the department.

(d) The department shall create or procure, and make available no later than January 1, 2027, and at no cost to participants, a professional learning series on the RAISE Act and RAISE guide. The series must include, at a minimum, an





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overview of RAISE, RAISE logistics and data, the investments that will increase student achievement of the student group generating weighted allocations through the RAISE Fund, and how to budget the additional funding provided by the RAISE Fund for the specific purposes outlined in the annual Education Trust Fund appropriations act. LEA employees that are involved in budgeting at the school and system level, such as superintendents, assistant superintendents, chief school finance officers, other school business officers, and principals of schools, including leaders from public charter schools, shall be required to participate in the RAISE professional learning series. The department shall also make the professional learning series on the RAISE Act available to other education leaders and LEA employees upon their request.

(e) A professional learning series created or procured pursuant to this section may be provided to participants virtually or in person at the discretion of the department. The department shall make all instructional materials used as part of the series publicly available on the department's website.

(f) For the 2028-2029 school year, the professional learning series on the RAISE Act and the RAISE guide shall be incorporated into the professional learning series on the unified application created pursuant to Section 16-13-368.

§16-13-364

(a) (1) DETERMINING THE ANNUAL COST OF THE RAISE PROGRAM. Subject to available funding for the RAISE Fund for any fiscal year of the state, the RAISE Fund weighted



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allocations for each qualifying student group shall be established in the annual Education Trust Fund appropriations act for that fiscal year and shall include weights for:

- a. Poverty;
- b. Special Education;
- c. English Language Learners;
- d. Charter school students;
- e. Gifted students; and
- f. Other student groups as deemed necessary.

(2) The amount of funds determined necessary and available to provide the weighted allocations shall be appropriated from the RAISE Fund by the Legislature in the annual Education Trust Fund appropriations act.

(3) The weighted percentages established in this subsection may grow over time, as funding allows and determined necessary, but not to exceed the maximum weighted percentages established in this section.

(4) The weighted allocation for each qualifying student shall be calculated by multiplying the percentage for each weighted allocation by the base funding factor. LEAs will receive weighted allocations for each qualifying student in each student group.

(5) It is the intent of the Legislature that LEAs are given flexibility in spending decisions when serving the needs of the student groups that generated the funds.

(b) The weighted allocations for each qualifying student shall be established as follows:

- (1) A student who is identified through direct



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certification shall generate weighted allocations for poverty up to 20 percent.

(2) A student who is identified for special education services under the Individuals with Disabilities Education Act 20 U.S.C. § 1400 et seq. shall generate a weight based on any exceptionality identified in their Individual Education Plan (IEP). Three tiers shall be established in the annual Education Trust Fund appropriations act, with input from the department, based on the additional resources required to support students in each special education tier. A student shall generate a weighted allocation for each tier as follows:

a. The weighted allocation for a Tier I is within a range of up to 25 percent.

b. The weighted allocation for a Tier II is within a range of up to 50 percent.

c. The weighted allocation for a Tier III is within a range of up to 150 percent.

(3) A student who is identified as an English Language Learner (ELL) shall generate weighted allocations of up to 15 percent. An LEA shall generate an additional weighted allocation for concentrated ELL within a range of up to five percent for school districts where the percentage of ELL students enrolled is over a level specified in the Education Trust Fund appropriations act.

(4) An LEA shall generate a gifted student weighted allocation within a range of up to five percent, with an assumption that five percent of its ADM is made up of gifted students. The LEA may use these funds for any gifted or



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enrichment program for students who give evidence of high achievement capability.

(5) A student at a public charter school shall generate a weighted allocation within a range of up to 10 percent. This weighted allocation shall only be allocated to charter schools that are physically located in a county or city school system that receives local funding from all revenue sources exceeding the value of 10 mills of ad valorem taxes for that county or city school system.

(c) A student shall generate funding for each weight for which that student qualifies.

(d) Funding allocations made pursuant to this section are based on data collected for an LEA during the immediately preceding school year and reported to the department pursuant to Section 16-13-363.

(e) When making future funding decisions, priority shall be given to the special education weight in order to meet the federal maintenance of effort requirements under the Individuals with Disabilities Education Act 20 U.S.C. § 1400 et seq.

### §16-13-365

(a) Each local education agency shall produce an accountability application and report that:

(1) Establishes goals for the achievement of qualifying students in weighted categories. These goals shall be in alignment with the student achievement goals established in Alabama's plan under the Every Student Succeeds Act (ESSA) or its successors, and guidance provided by the department.



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(2) Describes the LEA's planned expenditures at the district and school level for student groups receiving weighted allocations through the RAISE Fund.

(3) Provides a reflection on the previous year's progress on student groups receiving weighted allocations through the RAISE Fund and any needed revisions to spending. This will begin for the Fiscal Year 2027 budget.

(b) The report required by this section must be submitted to the department by November 1, 2026, and each November 1 thereafter until the unified application created pursuant to Section 16-13-368 is implemented. Beginning no later than the 2028-2029 school year, the report shall be submitted using the unified application created pursuant to Section 16-13-368. Prior to the unified system and application becoming available, the State Department of Education shall provide an accountability application and report format for LEAs to submit information outlined in this section.

(c) The State Department of Education shall add a section to the Education Report Card website established pursuant to Chapter 6C where additional funding for each student group that receives a weighted allocation through the RAISE Fund is reported alongside the academic outcomes of students from those groups on state summative assessments. This section shall be added to the Education Report Cards for the state, every LEA, and every school. The following should be reported:

(1) Academic outcomes shall be disaggregated and include both academic achievement and growth on state



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summative assessments.

(2) Total and per-pupil funding disaggregated by each student group that receives a weighted allocation through the RAISE Act.

§16-13-366

(a) By January 1, 2028, the Legislature shall establish the RAISE Act Review Committee to review the overall progress of the RAISE Act and make recommendations for continuous improvement.

(b) The committee shall be led by the Chair of the Senate Finance and Taxation Education Committee and the Chair of the House Ways and Means Education Committee.

(c) The membership of the committee shall include the following:

(1) The Governor, or his or her designee.

(2) The State Superintendent of Education, or his or her designee.

(3) The Director of Finance, or his or her designee;

(4) The Chair of the Senate Finance and Taxation Education Committee.

(5) The Chair of the House Ways and Means Education Committee.

(6) The Chair of the Senate Education Policy Committee.

(7) The Chair of the House Education Policy Committee.

(8) One member of the Senate, appointed by the President Pro Tempore of the Senate.

(9) One member of the Senate, appointed by the Minority Leader of the Senate.



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(10) One member of the House of Representatives,  
appointed by the Speaker of the House of Representatives.

(11) One member of the House of Representatives,  
appointed by the Minority Leader of the House of  
Representatives.

(d) The RAISE Act Review Committee shall meet at least  
one time per year before November 1 and shall regularly review  
the RAISE base funding factor and weighted allocations, review  
the academic data from each student group targeted through  
weighted allocations at the state and LEA levels to determine  
the effectiveness of the RAISE program, and identify any  
needed revisions for continuous improvement to the RAISE Act.

(e) The RAISE Act Review Committee shall prepare an  
annual report on the RAISE Act and shall provide the report,  
on or before November 1 of each year, to the Governor, the  
State Board of Education, the Senate Finance and Taxation  
Education Committee, the House Ways and Means Education  
Committee, the Senate Education Policy Committee, and the  
House Education Policy Committee, and the public. The report  
must include a review of academic achievement and growth data  
from each student group targeted through weighted allocations  
at the state and LEA levels and recommendations on needed  
revisions to the RAISE Act. ACES may provide research and  
analysis to support the work of the committee.

§16-13-367

(a) By July 1, 2028, the Legislature shall establish  
the RAISE Act Accountability and Implementation Board to  
establish a hearing process to monitor the progress of LEAs



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393 and schools to ensure that RAISE Act funds are spent  
394 effectively and hold them accountable for results.

395 (b) The RAISE Act Accountability and Implementation  
396 Board shall be led by the Chair of the Senate Finance and  
397 Taxation Education Committee and the Chair of the House Ways  
398 and Means Education Committee.

399 (c) The membership of the RAISE Act Accountability and  
400 Implementation Board shall include the following:

401 (1) The Governor, or his or her designee.

402 (2) The State Superintendent of Education.

403 (3) The Chair of the Senate Finance and Taxation  
404 Education Committee.

405 (4) The Chair of the House Ways and Means Education  
406 Committee.

407 (5) The Chair of the Senate Education Policy Committee.

408 (6) The Chair of the House Education Policy Committee.

409 (7) One member with school turnaround experience and/or  
410 education policy experience appointed by the President Pro  
411 Tempore of the Senate.

412 (8) One member with school turnaround experience and/or  
413 education policy experience appointed by the Minority Leader  
414 of the Senate.

415 (9) One member with school turnaround experience and/or  
416 education policy experience appointed by the Speaker of the  
417 House of Representatives.

418 (10) One member with school turnaround experience  
419 and/or education policy experience appointed by the Minority  
420 Leader of the House of Representatives.





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(11) Two members of the Office of School Improvement team appointed by the State Superintendent.

(12) One member with experience in the charter school sector appointed by the Governor.

(13) Two members with school turnaround experience and/or education policy experience appointed by the Governor.

(d) If a member no longer meets the qualifications for the member's position on the board, then the member's position on the board is vacated and replaced by the appropriate appointing authority.

(e) With the support of the department, the board shall annually monitor progress of LEAs and schools, and review provide feedback on accountability application and reports submitted pursuant to Section 16-13-365.

(f) The department shall propose a hearing process to determine if RAISE Act funds are being used by LEAs to adequately improve student outcomes for student groups identified in this act. The hearing proposal shall include the process, timeline, and metrics used to determine adequate progress of LEAs. The RAISE Act Accountability and Implementation Board shall approve or amend the proposed hearing process.

(g) At the end of a five-year period, the department shall identify LEAs, or individual schools under the jurisdiction of the LEA, that have not made adequate progress in reaching the goals of achievement established pursuant to Section 16-13-365, and shall recommend them for a hearing before the RAISE Act Accountability and Implementation Board.



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The RAISE Act Accountability and Implementation Board shall approve or amend the department's recommendations. With the support of the department, the RAISE Act Accountability and Implementation Board may then hold the hearings.

(f) Following any hearings, the department shall recommend corrective action for LEAs or individual schools under the jurisdiction of the LEAs. The RAISE Act Accountability and Implementation Board shall approve or amend any proposed corrective action. Corrective action may include, but not be limited to, the loss of autonomy to make budgeting decisions with RAISE Fund allocations; state academic intervention; and/or other relevant academic interventions, such as those included in the Alabama Numeracy Act in Section 16-6H-12.

§16-13-368

(a) The State Department of Education shall develop, with the support of an external partner with expertise in streamlining state and federal funding, a unified system and application that aligns policy priorities, planning, and budgeting in one application. The unified system shall streamline applications and reporting for all state and federal funding programs away from multiple plans, applications, budgets, and reports into a single application. The unified system and application shall be operational for the 2028-2029 budget cycle.

(b) In implementing the unified application, the department shall do all of the following:

(1) Set state priorities for funding that focus on



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achieving key improvements for students and student outcomes.

(2) Align grants to support each spending priority, maximize dollars leveraged for student outcomes, and eliminate redundancies.

(3) Design an application process that meets state and federal compliance requirements and ensures spending is aligned with state priorities.

(4) Support districts to build a strong plan for student learning and federal grant spending and articulate adequate achievement and growth goals for students.

(5) Review applications against a set of criteria for plan approval and discretionary awards.

(6) Approve and allocate funding that supports a clear set of plans to support student achievement.

(c) As part of the development of the unified application, the State Superintendent, with the support of an external partner, shall conduct an audit to identify out-of-date, unnecessary, or otherwise burdensome state laws, regulations, reporting requirements, and processes that apply to public schools. The audit shall include considerations and recommendations from school and system leaders, educators, advocates, and families. The State Superintendent shall file a report with the Governor and Legislature by November 1, 2026, outlining the findings of the review and recommendations for corrective actions, including executive orders, statutory changes, or regulatory reforms to empower schools, reduce bureaucracy, and improve student achievement.

(d) Beginning June 1, 2025, the department shall



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505 complete the following actions:

506 (1) Hire an external partner to support audit and  
507 development of the uniform application.

508 (2) Launch the audit established in subsection (c) and  
509 the development of the uniform application.

510 (e) During the 2027-2028 school year, the department  
511 shall complete the following actions:

512 (1) Complete the development of the unified application  
513 no later than February 2028, to allow districts to be able to  
514 use the unified application for strategic and financial  
515 planning for the 2028-2029 school year.

516 (2) Develop and launch professional learning about the  
517 unified application no later than February 2028.

518 (f) LEAs shall use the unified application to plan  
519 their district's budget beginning with the 2028-2029 school  
520 year.

521 Section 2. This act shall become effective on June 1,  
522 2025.